

Global Gift Fund[®]
A Donor Advised Service of MDRT Foundation

WHAT KIND OF A FAMILY FOUNDATION IS BEST FOR YOU?

| | PRIVATE FAMILY FOUNDATION | UNDER PUBLIC FOUNDATION UMBRELLA | |
|---|--|--|--|
| | | SUPPORTING ORGANIZATION | DONOR ADVISED FUND |
| 1) Gifts Of Qualified Publicly Traded Common Stocks (I.e.- Low Basis, Appreciated, Unrestricted) <i>Are Tax Deductible At...</i> | Fair Market Value | Fair Market Value | Fair Market Value |
| 2) Gifts Of All Other Appreciated Capital Assets (I.e.-Land, Bldgs, Closely Held Stock, Restricted Public Stock) <i>Are Tax Deductible At...</i> | Cost Basis | Fair Market Value | Fair Market Value |
| 3) Deductions From Gifts Of Cash <i>Are Usable Up To...</i> | 30% Of A.G.I. | 50% Of A.G.I. | 50% Of A.G.I. |
| 4) Deductions From Gifts Of Appreciated Assets <i>Are Usable Up To...</i> | 20% Of A.G.I. | 30% Of A.G.I. | 30% Of A.G.I. |
| 5) Unused Charitable Tax Deductions <i>May Be Carried Forward...</i> | 5 Years | 5 Years | 5 Years |
| 6) Foundation Must Pay Taxes Equal To <i>What Percentage Of Asset Value?</i> | 2% Annually | None | None |
| 7) Maximum Percentage Of A Family Corporation That Can Be Owned By The Family Foundation | | | |
| <i>A) If 50% or more of the stock is owned by disqualified donors</i> | 20% | 100% | 100% |
| <i>B) If less than 50% of the stock is owned by disqualified donors</i> | 35% | 100% | 100% |
| 8) Percentage Of Asset Value That Must Be Distributed Annually From The Foundation | 5% | Type 3 SO -85% Of Inc to Supported NPO | 5% |
| 9) Self Dealing Between Foundation And The Family Of Disqualified Donors And Other Restrictions | YES | NO | NO |
| 10) Excise Penalties On Investment Managers <i>As A Result Of Poor Performance Of Investments</i> | 15% to 200% | NONE | NONE |
| 11) Granting Of Educational Scholarships <i>Requires Advance IRS Written Approval?</i> | YES | NO | NO |
| 12) Penalties For Granting Scholarships Without IRS Approval | | | |
| <i>A) Penalty On Foundation Assets</i> | 10% | NONE | NONE |
| <i>B) Penalty On Investment Managers</i> | 2% | NONE | NONE |
| 13) Amount Of Donor Control Over Foundation Assets <i>After The Gift Has Been Made</i> | ABSOLUTE FAMILY IS BOARD OF DIRECTORS | RELATIVE FAMILY HAS MINORITY SEATS On BD. OF DIR. | EFFECTIVE FAMILY IS BOARD OF ADVISORS |
| 14) Can The Foundation Hire The Donor's Kids? <i>As Long As Compensation Is Reasonable And Commensurate</i> | YES | YES | NO |
| 15) Can Anonymous Giving Be Done Effectively? <i>AKA... Is A Private Family Foundation Really Private?</i> | NO | YES | YES |