

# Charitable Giving Solutions



*Charitable giving is often an important component of financial, tax, and estate planning. Creating a strategic charitable giving plan with a donor-advised fund may help maximize your tax benefits and potentially reduce your record-keeping burden.*

*Stifel provides several flexible solutions for charitable giving. The hypothetical case studies illustrated below demonstrate how Stifel Donor-Advised Funds and Legacy Funds may be used to pursue a variety of philanthropic and estate planning goals.*

## CASE STUDY ONE: PLANNING FOR GIVING + INCOME STREAM

### OBJECTIVES

- Contributions during lifetime
- Income stream to charities after death
- Potential income stream to heirs
- Potential return of principal to heirs

### SOLUTIONS

#### DONOR-ADVISED FUND

- Supports charitable giving throughout lifetime
- Allows for legacy giving after lifetime
- Simplifies giving to multiple organizations over time
- Maximizes tax benefits
- Can be invested for growth
- Can be the charitable beneficiary of an individual retirement account, charitable lead trust, charitable remainder trust, transfer on death assets, trust, or will
- Does not require legal expense to establish or administer

#### LEGACY DESIGNATED FUND

- Allows for annual distributions to organization(s) designated by the donor for the term of the donor's choosing
- Changes to charitable beneficiaries can be made at any time prior to the first distribution
- May be the charitable beneficiary of a Stifel Donor-Advised Fund or charitable remainder unitrust
- May be the beneficiary of any estate asset, including retirement plans, trusts, and wills
- Does not require legal expense to establish or amend
- Legal fees may be incurred to alter estate documents

#### CHARITABLE REMAINDER TRUST

- Receive a prorated tax deduction for contributions
- May be invested for growth and income
- Produces an income stream for individuals defined by the grantor
- Incurs legal expenses to establish, maintain, and administer
- Requires a trustee to administer
- Can name a Stifel Donor-Advised Fund or Legacy Fund as the charitable beneficiary

#### CHARITABLE LEAD TRUST

- Receive a prorated tax deduction for contributions
- May be invested for growth and income
- Produces an income stream for one or more charitable beneficiaries, including a Stifel Donor-Advised Fund
- Principal amount is returned to grantor-designated heirs or estate after designated individual(s) lifetime
- Incurs legal expenses to establish, maintain, and administer
- Requires a trustee to administer

**STIFEL** | Donor-Advised Funds®

## CASE STUDY TWO: SIMPLIFY AND LEAVE A LEGACY

In this scenario, managing a private foundation has become a burden on an aging individual. The individual's family is not interested in managing the foundation now or in the future.

### OBJECTIVES

- Remove the foundation's administrative burden and operating expenses from the individual
- Ensure the family's name and charitable support continue long after the individual's lifetime

### SOLUTIONS

The foundation can be converted to a Stifel Donor-Advised Fund with a Stifel Legacy Fund as the successor. Stifel handles all fund administration, compliance, and tax filing. Assets may be invested for growth and income.

Converting the foundation to a Stifel Donor-Advised Fund allows for:

- Making grants to chosen organizations during lifetime
- Designating organizations to receive annual grants after lifetime for a chosen term
- Directing other estate assets into the Stifel Legacy Fund to increase impact

You may welcome a conversation about charitable giving as an important component of your wealth and estate planning. Contact your Financial Advisor to learn more.

## CHARITABLE GIVING BY AFFLUENT HOUSEHOLDS\*



\*Charitable planning presented by a 2021 Bank of America Study of Philanthropy.

Conversely, the **majority of ultra-high-net-worth households have a strategy, budget, and plan for charitable giving.**

Look to Stifel Donor-Advised Funds to help plan, budget, and pursue your goals for charitable giving.

For more information on Stifel Donor-Advised Funds or Legacy Funds, please contact your Financial Advisor.

*This information is for illustrative purposes only and is not to be considered a recommendation. Individual circumstances will vary.*

*Stifel Donor-Advised Funds are handled by Stifel Charitable Inc., which is a 501(c)(3) non-profit organization. Stifel Financial Corp. companies, including Stifel, Nicolaus & Company, Incorporated, Stifel Bank, and Stifel Trust Company, N.A., provide services to Stifel Charitable Inc. Stifel does not provide legal or tax advice. You should consult with your legal and tax advisors regarding your particular situation.*