

# Charitable Trust Tools Matrix for Advisors

Charitable Trusts		Tax Savings											
Tools	AKA	Capital Gains Tax	Income Tax	Estate Tax	AGI Limit	Trustee	Best AFR (Rates)	Tax Exempt	When to Plan	Remainder goes to:	Provides Income to Donor	Types of Funding Assets	Description
*Donor Advised Fund	DAF	Yes	Yes	Yes	30% for Assets	Charity		Yes	Before Sale or Tax Year	Charity		Cash to Complex	Charitable savings account that is easy to create and maintain. It is sponsored by a 501(c)3.
*Supporting Organization	SO	Yes	Yes	Yes	30% for Assets	Board		Yes	Before Sale	Charity		Complex	SO must support a 501(c)3 or a class of 501(c)3s and is usually best with \$5M+ of assets.
Charitable Remainder Trust	CRT	Yes	Yes	Yes	30% for Assets	Donor	High	Yes	Before Sale	Charity	Yes	Semi-Complex. No S-Corp or UBTI	Provides tax free sale, income for life, income tax deduction to the donor, and charity (or DAF) gets the remainder interest.
Charitable Lead Trust	CLT - CLAT			Yes	NA	Donor	Low		Anytime (Trust in life or at death)	Donor's Estate		Semi-Complex	Donor sets an asset into Trust, pays income to the charity each year. FAMILY receives asset back at the end of the Trust term.
Grantor-Charitable Lead Trust	G-CLT - G-CLAT		Yes		30% for Cash	Donor	Low		Tax Year of a Sale	Donor		Semi-Complex	Donor sets an asset into Trust, pays income to the charity each year. DONOR receives asset back at the end of the Trust term.
Super Charitable Lead Trust	S-CLAT - O-CLAT		Yes	Yes	30% for Cash	Donor	Low		Tax Year of a Sale	Donor's Estate		Semi-Complex	Combines the benefits of the CLT and the G-CLT and can save on both estate and income taxes.
Pooled Income Fund	PIF	Yes	Yes	Yes	30% for Assets	Charity	Low		Before Sale	Charity	Yes	Complex	A new PIF can provide better tax deductions. Some PIFs are using other funding options to decrease taxes on income.

\*DAF's and SO's can be set up as Trusts, but are not always structured as a Trust.

Notes: Beware of Excess Business Holdings and UBTI issues.  
 Tax Deductions can be used for 5 years after the gift.  
 AGI limit of 30% on asset gifts to Trusts.  
 The AFR (linked to interest rates) determines the future value of the gift for the tax deduction.

**Consult with a trusted tax, legal and/or financial team to implement Charitable Trusts.**



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