

Comparing Your Giving Options



Many individuals are uniquely positioned to support the causes and institutions that matter most to them—and may assume that a private foundation is the only path forward. At The Dallas Foundation (TDF), we offer additional options that can be more flexible, strategic, and aligned with your long-term philanthropic vision. You can structure your giving through a **donor-advised fund (DAF)**, a **supporting organization (SO)**, or a **private foundation (PF)**.



DONOR-ADVISED FUND (DAF)

A donor-advised fund at The Dallas Foundation offers a simple, powerful, and tax-efficient way to give. Donors receive immediate tax benefits and can recommend grants to qualified nonprofits at their convenience, while relying on the Foundation’s deep community knowledge and philanthropic expertise to guide their giving and amplify impact.



SUPPORTING ORGANIZATION (SO)

A supporting organization provides many of the benefits of a private foundation—such as control over grantmaking and governance—without the complexity and administrative burden. Gifts to a supporting organization of The Dallas Foundation are fully tax-deductible and can include appreciated assets such as publicly traded or closely held stock held for more than a year.



PRIVATE FOUNDATIONS (PF)

Private foundations provide a high level of control over charitable giving and investment decisions but come with significant regulatory requirements. These include administrative and reporting burdens, excise taxes, and a mandatory minimum payout. The Dallas Foundation can help you determine whether this structure—or a more flexible alternative—is best suited to your goals.

Comparisons	Donor Advised Fund	Supporting Organization	Private Foundation
Tax Exempt Status	Shares public charity status of TDF	Must apply to IRS for status as an SO, which is a public charity	Must apply to IRS for status as a PF
Start-Up Costs	No cost to donor	Costs include some legal and accounting fees	Similar to a corporate start-up, requiring legal, accounting, and other costs
Recommended Size	\$10,000 or more	\$5 million or more	Significant assets needed to justify start-up and operating costs
Charitable Deductions (Cash Gifts)	Tax deduction up to 60% of Adjusted Gross Income (AGI); Maximum deduction allowed by law	Tax deduction up to 60% of AGI; Maximum deduction allowed by law	Tax deduction limited to 30% of AGI
Charitable Deductions (Appreciated Property)	Tax deduction available up to 30% of AGI; if held for more than 12 months; Tax deduction available at full fair market value	Tax deduction available up to 30% of AGI, if held for more than 12 months; Tax deduction available at full fair market value	Tax deduction limited to 20% of AGI; Even if held for more than 12 months, tax deduction limited to basis except for publicly traded stock

Donor Control	Donor makes grant recommendations, TDF board ratifies	Donor holds significant organizational influence; may appoint minority of the board of directors and have input into appointment of majority	Donor retains complete control over investments and grant making, subject to IRS requirements
Self-Dealing Rules	Do not apply	Do not apply	Strict regulations prohibit most transactions between a private foundation and its donors (including related persons or corporations)
Payout Requirements	Do not apply	Do not apply	Must pay out for charitable purposes at least 5% of its investment asset value regardless of annual income
Administration	Affiliation with TDF provides access to existing services	Affiliation with TDF provides access to existing services	Must establish or obtain these services
Fund Name	Donor has naming rights	Donor has naming rights	Donor has naming rights
Grantmaking Services	Extensive services and expertise available	Extensive services and expertise available	Must hire staff or contract labor
Family Philanthropy Institute	Affiliation with TDF provides access to existing services	Affiliation with TDF provides access to existing services	N/A
Annual Costs	See TDF Fee Schedule	See TDF Fee Schedule	Administration can be costly
Annual Taxes	None	None	Generally income is tax exempt but subject to excise tax of 1.39% of net investment income including net capital gains
Annual Tax Filings & Returns	Reported as part of TDF's annual reporting; all donort lists are confidential and sources of individual grants are not listed	Prepared and filed by TDF; donor lists are confidential	Must be filed by the PF with required supporting schedules; donor lists and all grants are public information
Investments	Multiple TDF internal and external options (depending on fund size)	Recommendations of investments by SO board	Must research and secure its own investment services
Fiduciary Responsibility	TDF fulfills the associated fiduciary responsibilities	Administrative guidance provided by TDF	Private foundation board has full fiduciary responsibility
Liability & Risk Insurance	Provided by TDF	Provided by TDF	Must be purchased by private foundation



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