



Donor Advised Funds

A Donor Advised Fund (DAF) is a charitable giving program, allowing individuals to make contributions to their favorite charities, receiving an immediate tax deduction in return and retaining advisory privileges to disburse gifts over time. If you are charitably-inclined, a Withum Wealth Management DAF can help you **maximize your philanthropic potential** and **make a lasting difference**.

Maintain Your Strategy

Withum Wealth Management works with you to maintain a **charitable investment strategy** that helps to meet your short- and long-term goals.

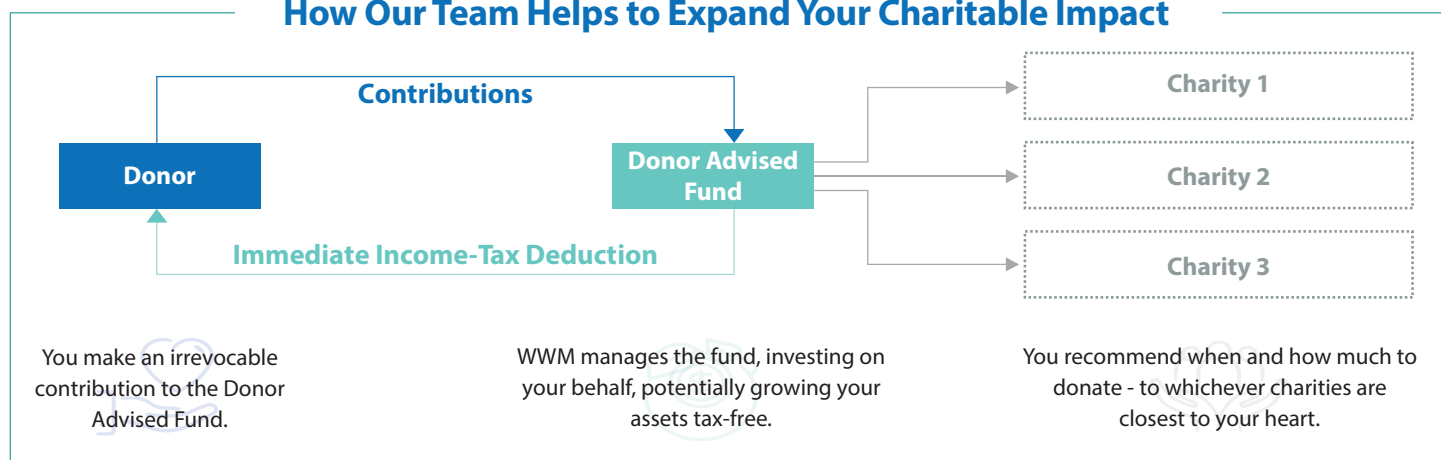
Contributions are **professionally managed** by our team of wealth advisors, creating the potential to grow your charitable giving over time.

We help you **maximize your philanthropic giving**, while always remaining dedicated to what matters most – your unique passions and purpose.

Our Analysis Considers:

- Annual expected donations
- Plans to pass charitable legacy to children
- Account value/contributions
- Market conditions
- Asset allocation
- Strategy projections

How Our Team Helps to Expand Your Charitable Impact





Notable Features of Donor Advised Funds

✓ Avoid capital gains tax

More of your money goes to the donation

✓ Grow charitable dollars tax-free, receive immediate tax deduction

Once money is contributed, it can be invested and grow tax-free until you grant to charity, enabling even more money to be granted.

Charitable tax deduction occurs immediately, during year of contribution to DAF (not when grant is made to charity)

✓ Reduce tax burden during a wind-fall year

DAFs allow you to make grants over time, while you can recognize the tax deduction immediately. Therefore, during a windfall situation such as a sale of a business, receiving an inheritance, etc., you can take an immediate deduction and reduce tax liability.

There is a five-year carry-forward on gifts that exceed your AGI limits

✓ Generally, all 501 (c) organizations qualify for grants from Donor - Advised Funds

Case Study

Donating Appreciated Stock

Donor A & B plan to donate \$50,000 to charity during the year. Each donor holds appreciated stock worth \$50,000, with a cost basis of \$5,000.

Donor A: Sells stock and donates proceed to charity.

Capital gains tax paid: \$10,710

Net donated to charity: \$34,920

Donor B: Donates stock to DAF, grants proceeds to charity.

Capital gains tax paid: \$0

Net donated to charity: \$50,000

Result:

Donor B allows for \$15,080 additional dollars received by charity; tax savings attributed to donor.

Note: For the purposes of illustration, this hypothetical example assumes a 35% income tax rate. It also assumes that all realized gains are subject to the federal long-term capital gains rate of 20% and the Medicare surtax of 3.8%. No other state taxes are taken into account.

Contact Us



T (732) 450 0147



infowwm@withumwealth.com



withumwealth.com

Please remember that past performance may not be indicative of future results. This analysis has limitations and only represents a snap-shot in time. The contents are based on information provided to Withum Wealth Management ("WWM") which is believed to be reliable, but that WWM cannot confirm. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by WWM), or any non-investment related content, made reference to directly or indirectly in the presented material(s) will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this presentation serves as the receipt of, or as a substitute for, personalized investment advice or solicitation to buy or sell any securities from WWM. WWM is neither a law firm nor a certified public accounting firm and no portion of the presented material(s) should be construed as legal, accounting or consulting advice. A copy of the WWM's current written disclosure statement discussing our advisory services and fees is available for review upon request.