



AMPLIFY YOUR HIGH NET WORTH PRACTICE WITH CHARITABLE PLANNING

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ROADMAP

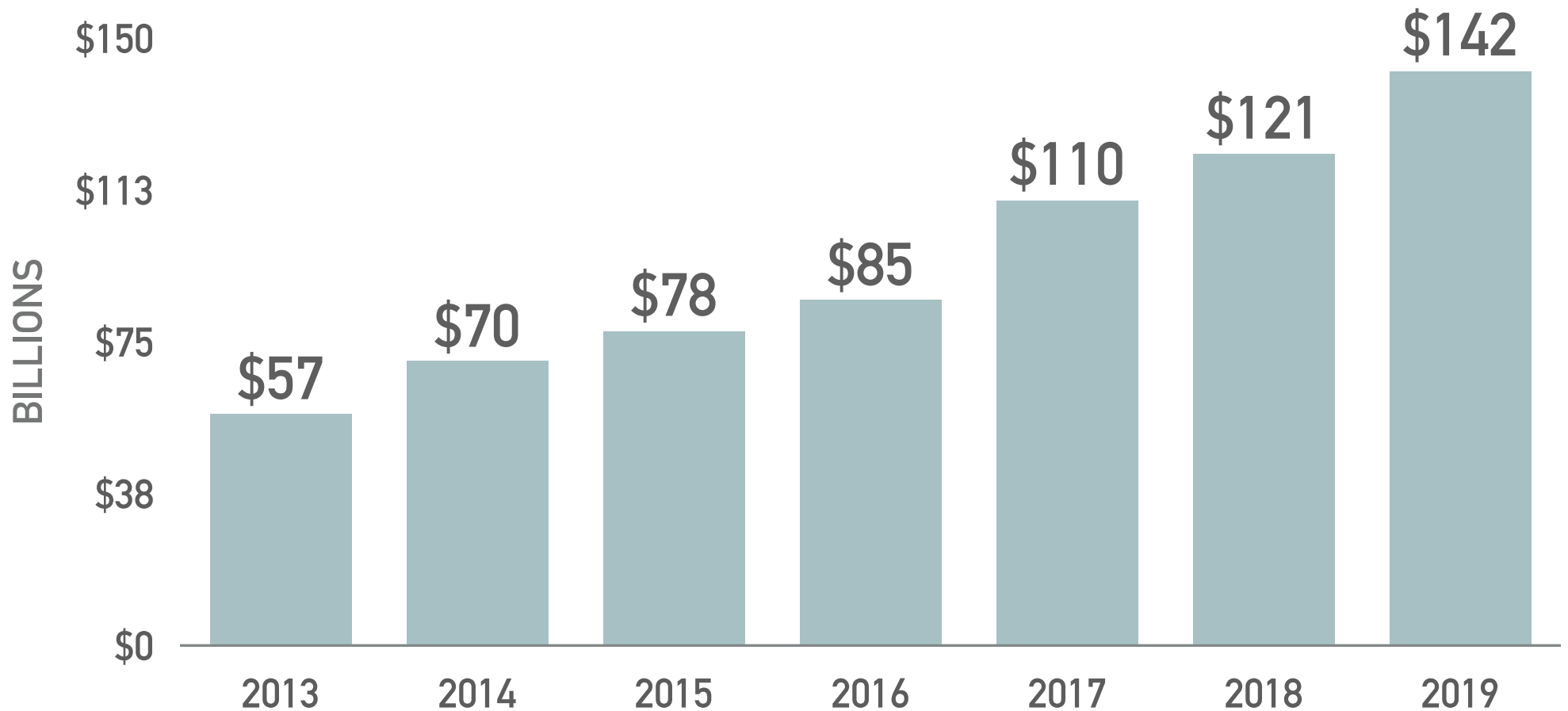
- DAF landscape
- WHAT HNW clients want
- HOW to use giving techniques
- HOW to integrate to practice

FASTEST- GROWING CHARITABLE TOOL!

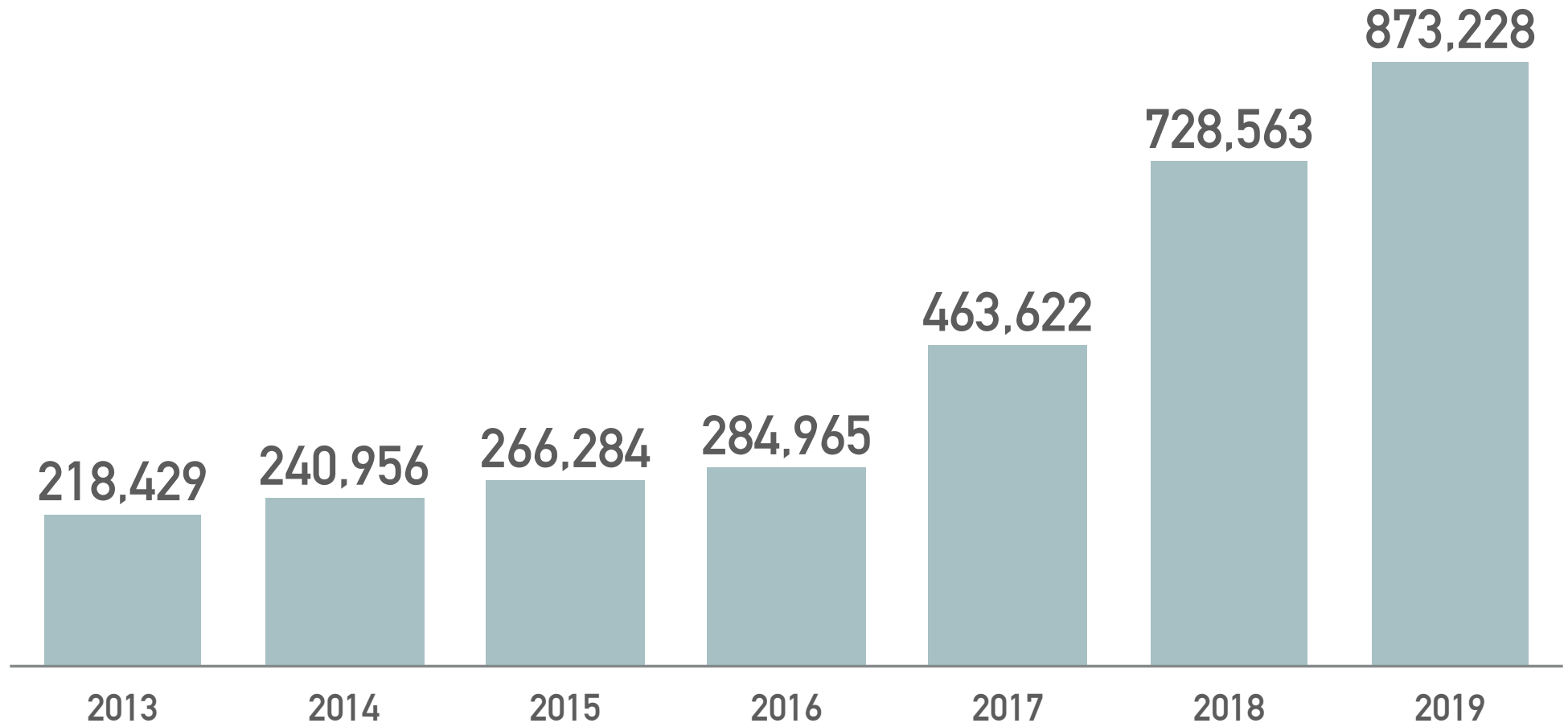
WHY the rapid growth?



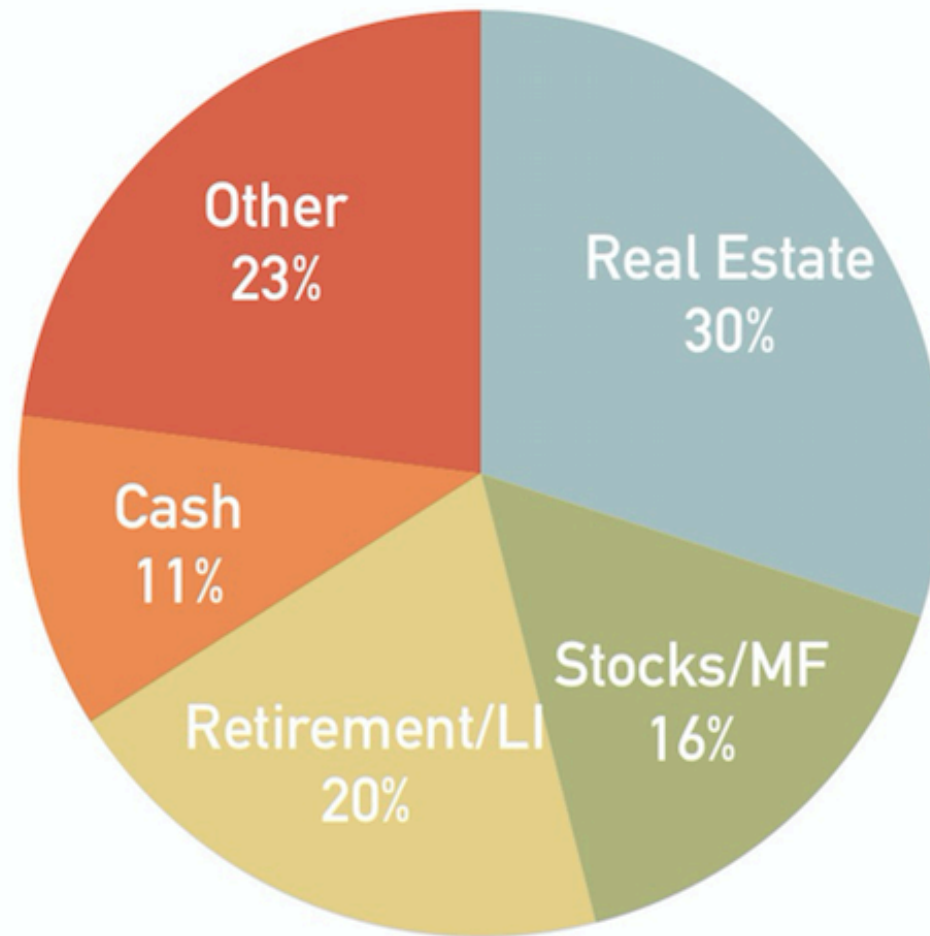
GROWTH RATE – NATIONAL PHILANTHROPIC TRUST DAF STUDY 2020



NUMBER OF DAFS – NATIONAL PHILANTHROPIC TRUST DAF STUDY 2020



ASSETS IN AMERICA: **FEDERAL RESERVE DATA 2008**



**HOW
DO THEY WORK?**



DONOR-ADVISED FUNDS



FEATURES

- Multi-generational
- Anonymity
- Fees
- Pass-through
- Perpetual
- Investments
- Minimums

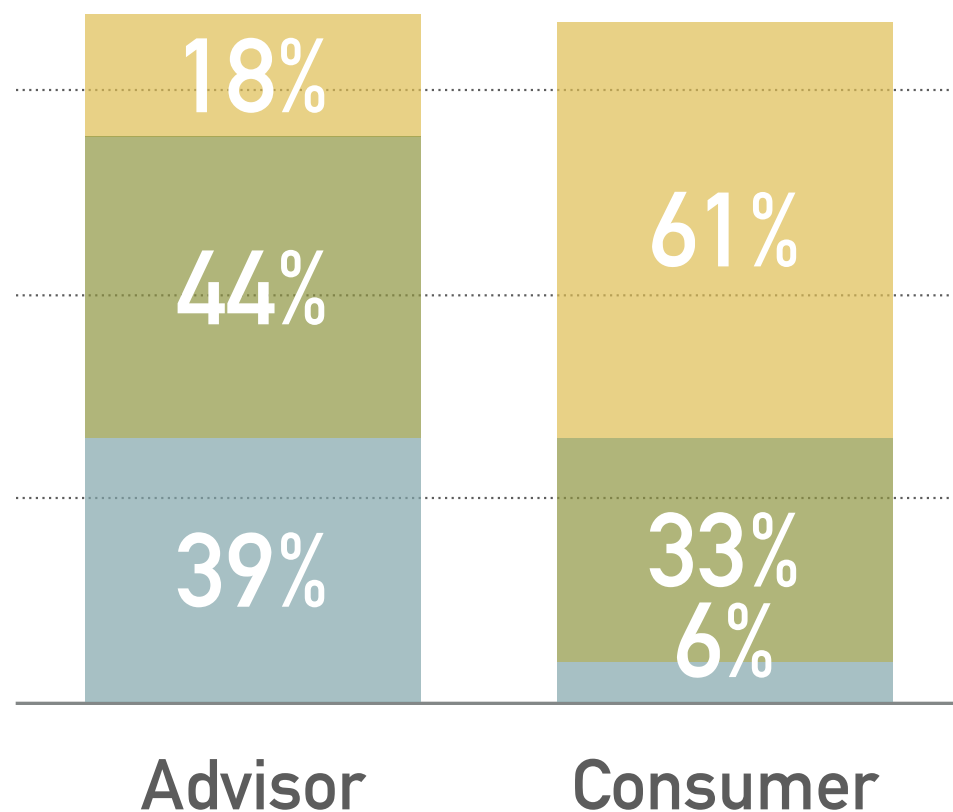
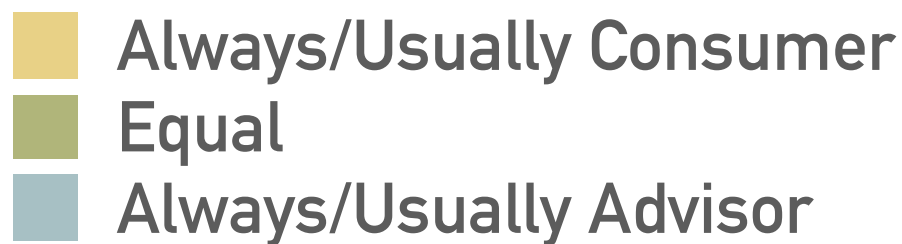


THE CHARITABLE CONVERSATION



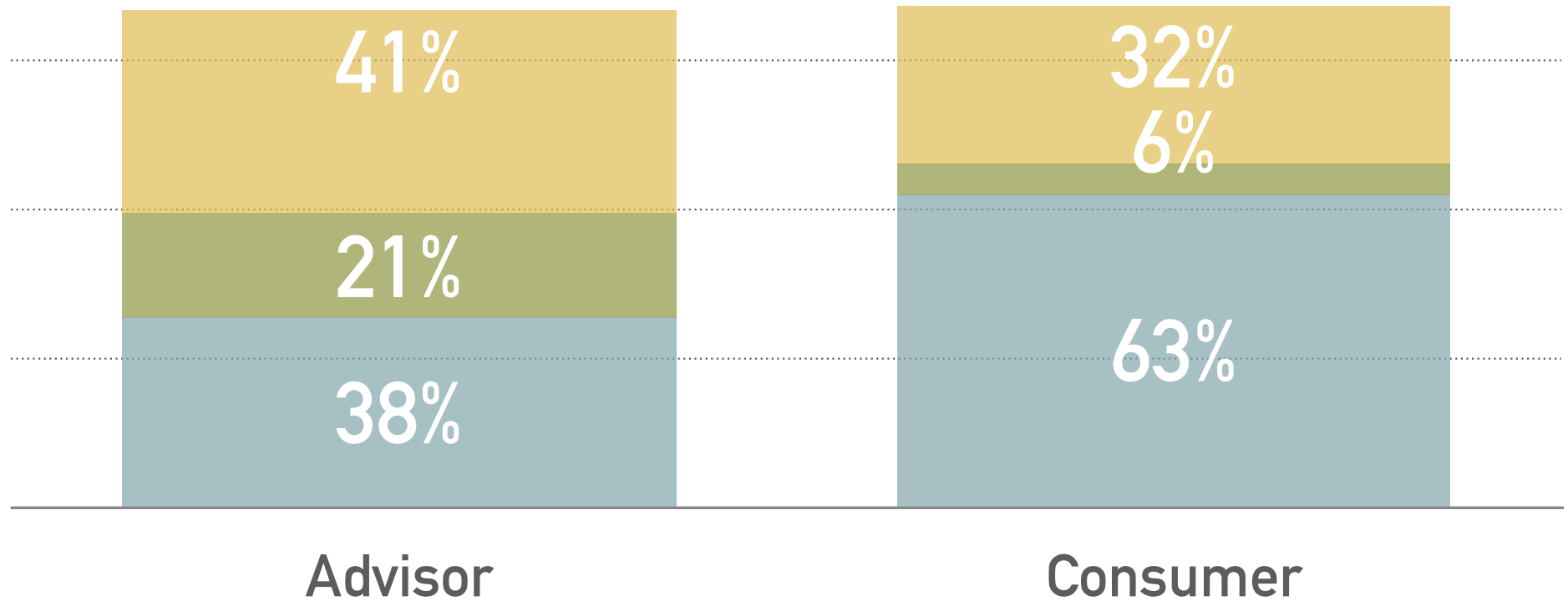
US TRUST STUDY OF HIGH NET WORTH PHILANTHROPY 2018

WHO RAISES THE TOPIC OF GIVING?



U.S. TRUST 2018 STUDY - CONVERSATION PERSONAL VS. TECHNICAL?

■ Technical ■ Equal ■ Personal

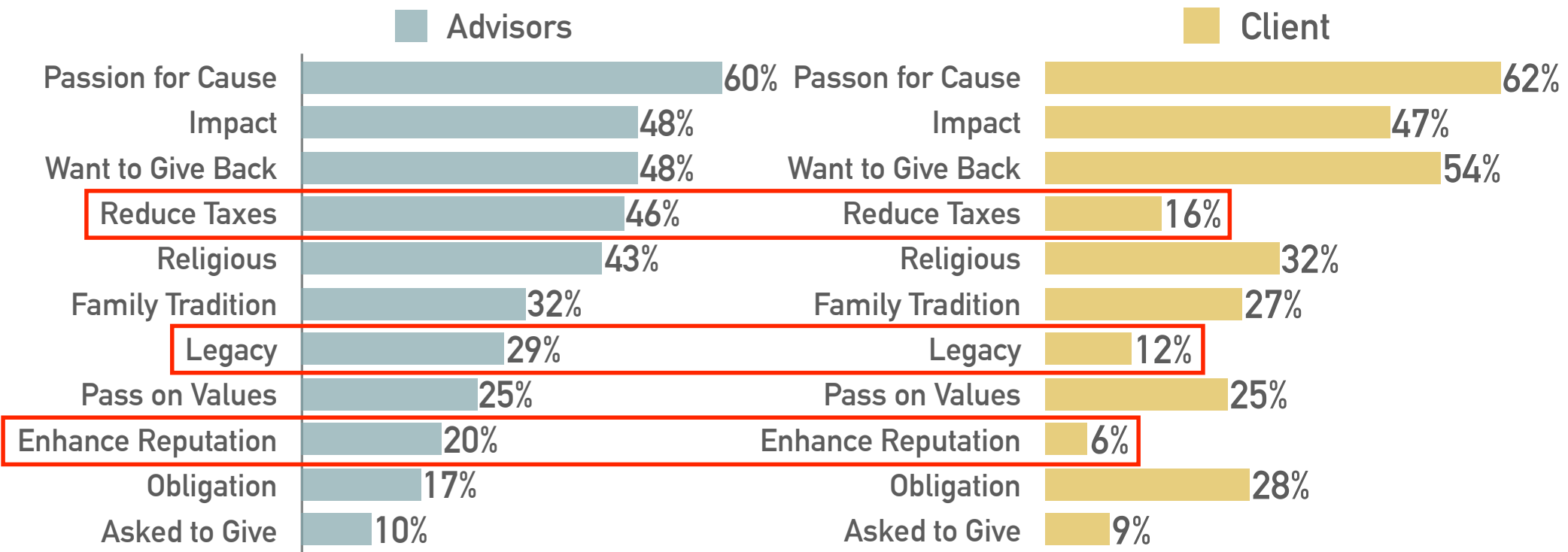


HIGH NET WORTH DONOR MOTIVATIONS

U.S. Trust 2016 Study



US TRUST 2016 STUDY - "VERY IMPORTANT" REASON FOR GIVING



PRIMARY REASONS THEY GIVE

- Believe in mission
- Make a difference
- Joy and Fulfillment





ESSENTIAL DESIRES

- Give Meaning to Wealth
- Be Remembered for Greatness
- Pass on Values, Not Just Valuables

INTEGRATE INTO PRACTICE



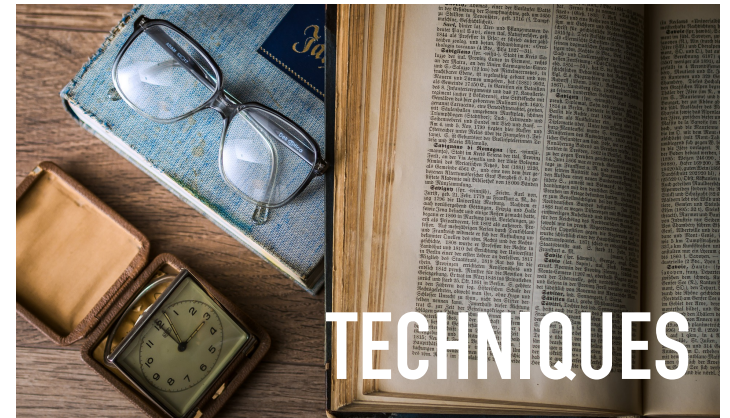
GOALS



TOOLS



TECHNIQUES



THREE ESSENTIAL STEPS TO EVERY PLAN



THE THREE SISTERS



SISTERS' GOALS

- Divest of family farm.
- Retire from teaching.
- Support:
 - church
 - teacher scholarships

SISTERS' TOOLS

- Family farm
 - currently rented
- 403(b)
- Savings bonds
- Life Insurance





TECHNIQUE

- Farm -> 3 FCRTs
- Income for retirement
- Remainder to:
 - church
 - teacher scholarships
- What about tenant farmer?

PROCEDURES IN ORDER

- Environmental Questionnaire
- Site/Donor Visit
- Title check
- Draft Trust Agreements
- Transfer farm to trusts
- Notify tenant
- Offer to sell
- Closing



A close-up photograph of a young Black couple smiling and embracing outdoors. The woman is in the foreground, leaning her head against the man's shoulder. They are both wearing light blue sweaters. The background is a soft-focus landscape with green foliage and a bright, hazy sky, suggesting a sunset or sunrise setting. The overall mood is warm and romantic.

MARIANNE & KEVIN

IPO



MARIANNE & KEVIN: GOALS

- Company "went public"
- Diversify investments
- Minimize taxes
- Support charity now



MARIANNE & KEVIN: **TOOL & TECHNIQUE**

- Company Stock (public)
- Stock gifts to charity
- Stock gift to DAF
- Reduce taxable income
 - off-sets sale of stock



RICHARDSON FAMILY

“charitable stock bailout”



RICHARDSONS: GOALS

- Transfer business to next gen
- Minimize transfer tax
- Minimize capital gains tax
- Retirement for Jake & Flo
- Legacy giving

RICHARDSONS: **TOOLS**

- Grandpa Jake + Grandma Flo
 - 75% Owners
- Dad Chuck
 - 20% Owner
- Son Jacob
 - 5% Owner



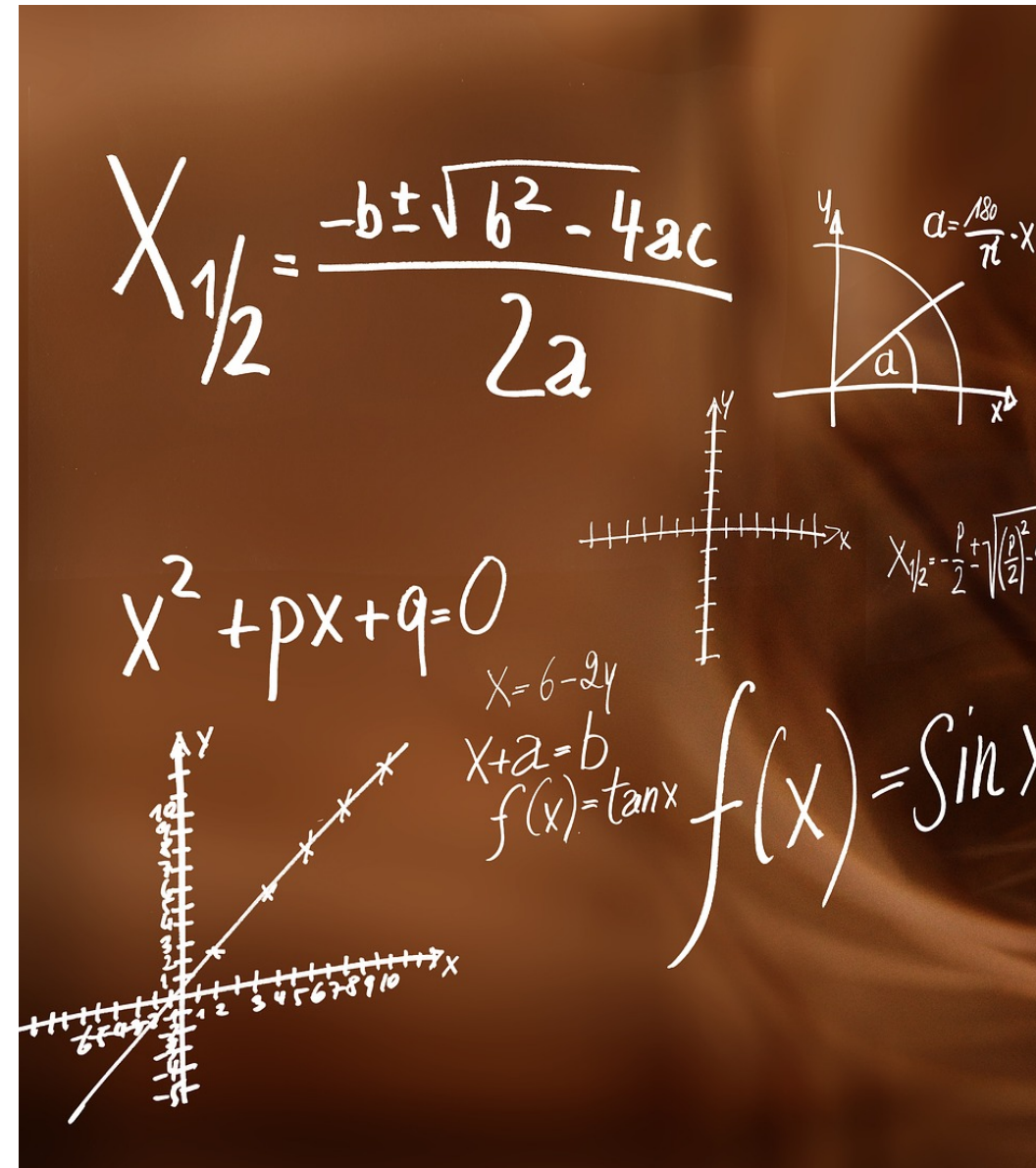


RICHARDSONS: **TECHNIQUE PART 1**

- Grandma + Grandpa *GIVE*
 - 1/2 shares -> DAF
 - DAF sells shares to C Corp
 - shares "retired"

RICHARDSONS: **TECHNIQUE PART 2**

- Grandma & Grandpa *SELL*
 - 1/2 shares to C Corp
 - shares "retired"
 - deduction minimizes tax
- Son
 - 20% owner -> 80% owner
- Grandson
 - 5% owner -> 20% owner





RICHARDSONS: RESULTS

- Grandma + Grandpa divested
 - retirement
 - legacy gift to charities
 - minimized capital gains tax
 - no gift/estate tax
- Son & Grandson
 - increased ownership
 - no out of pocket cost



RICHARDSONS: **FINER POINTS**

- Deduction = FMV
 - appraisal required
 - marketability discount
 - 8283/8282
- No "sweetheart" deals
- No pre-arranged sale
- What if sale is underway?

A pug dog is sitting in a forest, wrapped in a plaid blanket. The blanket has a pattern of green, red, and grey stripes on a light beige background. The dog's head is visible, looking directly at the camera. The background is a dense forest with green foliage and a path. The text "WRAPPING UP" is overlaid in the center of the image.

WRAPPING UP



GET TO KNOW THE OPTIONS

- Local Community Foundation
- National Providers
- Single-Issue Charities

- Relationship OR Transaction?



- National Philanthropic Trust DAF Report
- US Trust 2018 Study on Philanthropic Conversation
- US Trust 2016 Study on Philanthropic Motivations

CONVERSATION SPARKLERS

- *What is your earliest memory of giving?*
- *Is there someone you admire who shaped who you are?*
- *Who is the most generous person you know and why?*
- *How did/do your parents/grandparents practice generosity? Does that influence your giving?*



THANK YOU!

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