

Exploring Popular Ways to Give:

A COMPARISON OF CHARITABLE GIVING VEHICLES


Charitable giving can take different forms—some offering significant tax and financial advantages—and many donors use a combination of giving vehicles for philanthropic and financial synergy. This chart, along with the guidance of a philanthropic expert, can help you decide which of these popular options are best for you.

	GIVE DIRECTLY (No charitable entity/vehicle involved)	GIVE TO A PUBLIC CHARITY		GIVE TO A DONOR-ADVISED FUND (DAF)	MAKE A LIFE INCOME GIFT		GIVE THROUGH A PRIVATE FOUNDATION
		Restricted Contribution	Unrestricted Contribution		Charitable Remainder Trust	Charitable Gift Annuity	
How does this work?	You identify a need and directly pay for and/or provide assistance in any way you choose without regard to any tax considerations.	You contribute to an existing tax-exempt public charitable organization that then uses your gift to accomplish charitable purposes.		You contribute to a DAF, a giving account that allows you to recommend grants to other charities and allows undistributed funds to grow tax-free until it is granted out.	You irrevocably contribute money or property now and receive income (for yourself or others), deferring your eventual gift to charity until the income payments have ended.	You irrevocably contribute money or property to a charity now and, in exchange, receive an annuity for yourself or others.	You create and fund your own tax-exempt organization (a private foundation) to accomplish charitable purposes.
What is the minimum gift?	Any amount	Any amount		Depends upon DAF sponsor; can range from \$0 to typically \$10,000 or more.	Practical minimum is \$250,000.	Depends upon organization; often \$25,000.	Typically, \$1 million

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When would I consider using this vehicle?	You want to have maximum control, immediate impact, and tax savings and legacy are of secondary importance to you.	You want maximum tax advantages and are willing to trust the public charity to use your gift in keeping with restrictions you have placed on your gift.	You want maximum tax advantages and are willing to trust the public charity to use your gift for its charitable purposes in support of its mission.	You want maximum tax advantages and wish to support only registered 501(c)(3) public charities.	You want or need to retain a fixed annuity or percentage payment for life and are willing to defer your ultimate gift.	You want or need to retain a fixed annuity for life in exchange for your gift.	You want significant tax advantages, maximum control, flexibility, and advanced grantmaking capabilities (grants to individuals, overseas grants, etc.); option to hire staff (including family); and the opportunity to build a meaningful legacy.
What are the key tax advantages?	No income tax deduction or other tax savings.	<ul style="list-style-type: none"> • Gifts are tax deductible up to 60% of AGI each year (subject to limitations imposed by the OBBBA) • No capital gains tax • No gift or estate tax 	<ul style="list-style-type: none"> • Gifts are tax deductible up to 60% of AGI each year (subject to limitations imposed by the OBBBA) • No capital gains tax • No gift or estate tax • You can leverage charitable bunching to increase your charitable tax deductions. 	<ul style="list-style-type: none"> • Gifts are tax deductible up to 60% of AGI each year (subject to limitations imposed by the OBBBA) • No capital gains tax • No gift or estate tax • You can leverage charitable bunching to increase your charitable tax deductions. 	<ul style="list-style-type: none"> • Income tax deduction for calculated value of your gift. • Capital gains tax saved or postponed. • If you choose to provide income to someone else, gift and estate taxes can be postponed. 	<ul style="list-style-type: none"> • Gifts are tax deductible up to 30% of AGI each year • No capital gains tax • No gift or estate tax • You can leverage charitable bunching to increase your charitable tax deductions. 	
Who controls how my gift is used?	You have complete control; you give your money as you see fit.	Public charity governing board controls how and when your gift is used in keeping with restrictions you have placed on your gift.	Public charity governing board controls how and when your gift is used.	You advise the DAF sponsor as to how your gift is to be used, subject to approval by the DAF sponsor.	You name the public charity or private foundation that is to receive the charitable remainder, and your gift can be general or restricted to a particular purpose.	Your gift to the public charity that issued the annuity can be general or restricted to a particular purpose.	Your foundation's governing board (on which you may serve) controls how and when your gift is used.

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How creative can I be with my giving?	You can be as creative as you want to be.			You can be creative with your giving recommendations, although additional steps may be required.	N/A	N/A	You can be as creative as you want (e.g., award grants such as scholarships, operate direct charitable activities and more) as long as certain IRS rules are followed.
Is there a required minimum amount that must be given away each year?	✗		✗	✗		N/A	5% of the prior year's average assets (\$0 in the initial year)
Can I give anonymously?	✓		✓	✓		✓	Typically, No
Can my giving continue even after my lifetime?	✗		No, but with a permanent endowment fund your gift can continue in perpetuity	Yes, via a charitable beneficiary, depending on policies.		✗	✓

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Can I name a successor to control my giving after I'm gone?	X	X	X	Yes, in alignment with the policies of the DAF sponsor.	X		
Can publicly raised funds be contributed to this vehicle?	N/A				N/A		Yes, if a foundation is holding a fundraiser for itself.
What are the startup costs?	None	None		None	Typically, \$1,000 or more	None	Typically, \$5,000 for incorporation and filings
What are the annual costs?	None	None		Costs for administration and investment management vary depending upon the DAF sponsor; typically range from 0.5% to 1%.	Typically, about 0.75% to 1%	None	Annual administration costs are typically 0.5% to 0.75% plus investment management expenses.

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Can my family be involved in my giving decisions?				<ul style="list-style-type: none"> • Age 18+ can have advisory privileges. • Virtual charitable gift cards offered by some tech-driven DAF sponsors can be given to family to donate to a charity of their choice. 			<ul style="list-style-type: none"> • All ages can be involved to some extent. • Fosters family engagement and passing values and skills to next gen. • Family members can serve on the board.

QUESTIONS? WE'RE HERE TO HELP.

Which giving vehicle(s) are best for you? [Schedule a call with us](#) or reach us at 800.839.0054.

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