

Charitable Giving Solutions



Charitable giving is often an important component of financial, tax, and estate planning. Creating a strategic charitable giving plan with a donor-advised fund may help maximize your tax benefits and potentially reduce your record-keeping burden.

Stifel provides several flexible solutions for charitable giving. The hypothetical case studies illustrated below demonstrate how Stifel Donor-Advised Funds and Legacy Funds may be used to pursue a variety of philanthropic and estate planning goals.

CASE STUDY ONE: PLANNING FOR GIVING + INCOME STREAM

OBJECTIVES

- Contributions during lifetime
- Potential income stream to heirs
- Income stream to charities after death
- Potential return of principal to heirs

SOLUTIONS

DONOR-ADVISED FUND

- Supports charitable giving throughout lifetime
- Allows for legacy giving after lifetime
- Simplifies giving to multiple organizations over time
- Maximizes tax benefits
- Can be invested for growth
- Can be the charitable beneficiary of an individual retirement account, charitable lead trust, charitable remainder trust, transfer on death assets, trust, or will
- Does not require legal expense to establish or administer

LEGACY DESIGNATED FUND

- Allows for annual distributions to organization(s) designated by the donor for the term of the donor's choosing
- Changes to charitable beneficiaries can be made at any time prior to the first distribution
- May be the charitable beneficiary of a Stifel Donor-Advised Fund or charitable remainder unitrust
- May be the beneficiary of any estate asset, including retirement plans, trusts, and wills
- Does not require legal expense to establish or amend
- Legal fees may be incurred to alter estate documents

CHARITABLE REMAINDER TRUST

- Receive a prorated tax deduction for contributions
- May be invested for growth and income
- Produces an income stream for individuals defined by the grantor
- Incurs legal expenses to establish, maintain, and administer
- Requires a trustee to administer
- Can name a Stifel Donor-Advised Fund or Legacy Fund as the charitable beneficiary

CHARITABLE LEAD TRUST

- Receive a prorated tax deduction for contributions
- May be invested for growth and income
- Produces an income stream for one or more charitable beneficiaries, including a Stifel Donor-Advised Fund
- Principal amount is returned to grantor-designated heirs or estate after designated individual(s) lifetime
- Incurs legal expenses to establish, maintain, and administer
- Requires a trustee to administer

CASE STUDY TWO: SIMPLIFY AND LEAVE A LEGACY

In this scenario, managing a private foundation has become a burden on an aging individual. The individual's family is not interested in managing the foundation now or in the future.

OBJECTIVES

- Remove the foundation's administrative burden and operating expenses from the individual
- Ensure the family's name and charitable support continue long after the individual's lifetime

SOLUTIONS

The foundation can be converted to a Stifel Donor-Advised Fund with a Stifel Legacy Fund as the successor. Stifel handles all fund administration, compliance, and tax filing. Assets may be invested for growth and income.

Converting the foundation to a Stifel Donor-Advised Fund allows for:

- Making grants to chosen organizations during lifetime
- Designating organizations to receive annual grants after lifetime for a chosen term
- Directing other estate assets into the Stifel Legacy Fund to increase impact

You may welcome a conversation about charitable giving as an important component of your wealth and estate planning. Contact your Financial Advisor to learn more.

CHARITABLE GIVING BY AFFLUENT HOUSEHOLDS*



*Charitable planning presented by a 2023 Bank of America Study of Philanthropy.

Conversely, the **majority of ultra-high-net-worth households have a strategy, budget, and plan for charitable giving.**

Look to Stifel Donor-Advised Funds to help plan, budget, and pursue your goals for charitable giving.

For more information on Stifel Donor-Advised Funds or Legacy Funds, please contact your Financial Advisor.

This information is for illustrative purposes only and is not to be considered a recommendation. Individual circumstances will vary.

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