

# Heritage Fund

Personal Foundations at Heritage Fund offer donors the opportunity to practice strategic philanthropy at the highest level. You decide what causes you care about and how you want to fund. We can help you figure it out.

## Benefits

- Tool for individuals and families to take their philanthropy to the next level
- Access to HF staff expertise and administration
- Branded and/or named foundation
- Flexible granting options
- Donors designate fund use in perpetuity
- Ability to name successor advisors
- Networking with other thoughtful donors
- Benefits of a private foundation without the cost
- Support your local community foundation while you pursue your personal philanthropy

## Options

- \$100,000 for a named foundation
- \$250,000 for a branded foundation with custom logo, letterhead etc.
- \* Administrative fees starting at 1%

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## Personal Foundations



# How We Compare

Heritage Fund offers compelling advantages over other charitable options.

## HF Personal Foundation

## Private Foundation

### Grantmaking Advice

Donor maintains control of grantmaking  
HF staff is available to assist with identification and assessment of grant recipients

Must be arranged and paid for by the foundation

### Annual Fees

1% administrative fee + investment expenses

Grantmaking, administrative, and investment support are staffed and financed independently

### Income Tax Deductions

Cash gifts  
Publicly traded securities  
Real estate, closely held securities

Up to 50% of adjusted growth income  
Fair market value up to 30% of adjusted growth income  
Fair market value up to 30% of adjusted growth income

Up to 30% of adjusted growth income  
Fair market value up to 20% of adjusted growth income  
Deductible at cost basis up to 20% of adjusted growth income

### Start-up Considerations

Costs  
Timeframe  
Minimum contribution

None  
Immediate  
None

Several thousand dollars for legal, accounting, & filing fees  
Several months  
None, but smaller private foundations may not be cost-effective

### IRS Reporting

None

Annual tax return required, including detailed financial schedules

### Taxes

None

Excise tax is 2% of net investment income, including net capital gains

### Donor Control

Donor recommends grants to qualified nonprofit groups of their choice

Donor appoints board, which controls investments and grantmaking

### Distribution Requirements

None

At least 5% of net asset value annually  
Penalty tax is 30% of undistributed amount

### Tax Status

Covered under HF public charity status

Applies to IRS for private foundation tax-exempt status

### Privacy

Donors may remain anonymous

Donor may remain anonymous, but IRS Form 990-PF lists officers, directors, and trustees