



## Choosing Your Path to Giving Public vs. Private Foundations

	Alaska Community Foundation	Private Foundations
<b>Set-up Considerations</b>		
Costs	None	Approximately \$5,000-\$10,000 for ongoing accounting and record-keeping costs
Time Frame	Immediate	Generally at least 1-2 months
Minimum Contribution	None	Minimum \$5 million recommended to justify start-up and maintenance costs
<b>Tax Deductions</b>		
Cash	Deduction of up to 50% of adjusted gross income	Deduction of up to 30% of adjusted gross income
Publicly Traded Securities	Full market value deduction of up to 30% of adjusted gross income	Full market value deduction of up to 20% of adjusted gross income
Closely Held Stock/Real Estate	Full market value deduction of up to 30% of adjusted gross income	Deduction is limited to the donor's cost basis or full market value, whichever is lower; up to 20% of adjusted gross income
<b>Administration</b>		
Administrative Services	ACF administrative fees are nominal based on the type of fund and services provided	Performed by trustees, officers or hired staff
Investment Management	Professional investment management and oversight available at low cost	Responsibility of trustees, professional advisors or hired staff
<b>Governing Body</b>		
	Donor or committee may have an advisory role in grant making	Governing body may consist of donor and related persons
	The ACF must have final approval for all grants and administrative matters	Governing body must approve all grants and administrative matters
<b>Tax Considerations</b>		
Tax Status	501(c)(3) public charity status as a component part of ACF	501(c)(3) private foundation; not as favorable as public charity status
Tax Return & Audits	Included in ACF tax returns and audit	Performed by trustees, staff or hired professionals
Private Foundation Excise Taxes	Not applicable	Excise tax of 1-2 percent plus additional taxes imposed for failure to meet payout requirement and for engaging in certain prohibited transactions