



THE COMMUNITY FOUNDATION  
*of Shelby County*

*Build Today...Dream for Tomorrow*

## Scenarios to Spark Ideas

Here are a few situations that may spark an idea for a fund that solves your charitable giving dilemma.

### Support a Changing Community

**You have lived in the same community for a long time. You realize that the community has changed through the years with many things in the community you'd like to help support. How can you create a fund for your community, but enable flexibility to support its changes?**

Create a Community Granting Fund that awards competitive grants to many types of organizations within a specific community or countywide. Each year, grants awarded would feature your name (or the title you have selected for the fund) and focus upon areas of need, keeping pace with a changing community. Interested organizations would submit grant proposals detailing the planned use of grant dollars and volunteers would determine grant recipients and amounts. The result: your support of the community keeps pace with what is needed at the time.

### Reducing Income Tax Burden

**As a business owner, you have decided it's time to retire and sell the business. As year-end approaches, it becomes apparent that the burden of income taxes could be reduced by a charitable deduction. With little time to decide on organizations to support, how can a deduction be secured that provides flexibility for future giving to favorite charities?**

A Gift Account is a free, short term, donor advised fund that can receive a gift today and disburse the gift in various amounts and to various charities whenever it's convenient for you. A simple form is completed to open the Gift Account and weekly online updates help you track past grants and the remaining balance.

In the future, the amount you have given to the Gift Account may be disbursed to other charities or used to establish a long-term fund that supports those causes or organizations you value.

### Highly Appreciated Stock

**You purchased publicly-traded stock over the past few decades, which has appreciated nicely. Moreover, you now find it difficult to trace the cost basis for some shares. How do you avoid the work to trace cost basis and the payment of capital gains taxes?**

Donate the appreciated stock to the Community Foundation of Shelby County to add to an existing charitable fund or to establish a new fund. You are able to deduct the average fair market value of the stock as of the day it was given to the Community Foundation. Most stock gifts can be transferred directly from your investment account to the Community Foundation's account, so the transaction is seamless. Contact us for the instructions to transfer.

### Private Foundation

**You want to set aside a sum of money for ongoing charitable activity, but find that the regulations and bureaucracy of a private foundation are too cumbersome. In addition, you want the maximum tax deduction.**

A donor advised fund enables you to work as an individual, a couple or a family to recommend grants to favorite charities, but with fewer regulations and hassles. All gifts to the donor advised fund are treated with higher deductibility than those to a private foundation. The Community Foundation handles documentation of your gifts and the fund's grants and files the annual 990 form.