



THE SPARTANBURG COUNTY FOUNDATION  
*Your Community Foundation*

## For Professional Advisors

The Spartanburg County Foundation works with professional advisors on a daily basis. By partnering with The Foundation, you'll not only find a valuable informational resource but also an experienced support team of specialists to assist you as you help your clients achieve their philanthropic goals. Here are some of the best advantages of working with SCF.

|   | The Spartanburg County Foundation  | Private Foundation  |
|---|--|---|
| Larger cash deductions allowed                          | Because the Community Foundation is a public charity, you may deduct up to 50% of your adjusted gross income for gifts of cash   | You can deduct 30% of your gross adjusted income  |
| Fair market value may be deducted for appreciated gifts | You may deduct 100% of the fair market value of publicly traded securities, closely held stock and real estate given to the Community Foundation with a maximum deduction of 30% of your adjusted gross income | Allows you to deduct gifts of closely held stock and real estate only at your cost basis, with maximum deduction of 20% of your adjusted gross income |
| No tax imposed on investment income                     | The Community Foundation pays no Federal excise tax on its investment income   | Pay up to 2% Federal excise tax on the net investment income  |
| No minimum distribution required                        | The Community Foundation has no minimum distribution requirement and may accumulate funds if so desired  | Must annual distribute at least 5% of its net investment assets, regardless of whether such an amount is actually earned                              |
| Fewer ownership restrictions apply                      | The Community Foundation may hold any portion of equity interest in a business such as a closely held corporation  | Cannot own more than 20% equity interest in a business  |
| Fewer reporting requirements                            | The Community Foundation takes care of all reporting requirements for all of its funds   | Higher level of reporting to the IRS required   |
| Donors can remain anonymous                             | The Community Foundation allows you to retain your anonymity if you desire   | Must make publicly available the identity of substantial contributor  |
| Fewer investment restrictions apply                     | The Community foundation has great flexibility in its investment strategies  | May not make certain types of investments   |
| Tax status  | Public charity   | Private foundation  |
| Legal identity  | Donor's choice of name; separate non-profit entity affiliated with the Spartanburg County Foundation   | Separate non-profit entity  |
| Control   | Own Board of Directors responsible for grantmaking; must be either operated by, supervised by, or controlled by The Spartanburg County Foundation  | Trustees have complete control of distribution and responsibility for asset management  |
| Cost  | Administrative costs negotiated with The Spartanburg County Foundation depending upon the size and services provided   | Annual operating costs include excise tax, legal and accounting fees, insurance, and miscellaneous expenses   |
| Grantmaking staff                                       | Staff can provide services to directors, grant applicants, and grantees  | Must deal with all administrative responsibilities of grantmaking   |