

## Fund vs. Foundation Benefits Comparison

### Fund in the LICF

### Private Foundation

👍✓	Fund can be established in less than a day	👎✗	Takes months to establish
👍✓	Inexpensive to establish and administer	👎✗	Expensive to establish and administer, plus ongoing accounting and record keeping costs
👍✓	Appropriate for a greater range of assets	👎✗	Typically established with substantial assets
👍✓	No annual tax returns	👎✗	Annual tax returns are required
👍✓	No annual audit	👎✗	Annual audit must be performed
👍✓	No annual payout requirements	👎✗	Requires 5% of assets to be paid out annually
👍✓	No excise tax	👎✗	1%-2% annual excise tax on net investment income
👍✓	Income Tax Deductions:	👎✗	Income Tax Deductions - more limited:
	✓Cash - up to 60% of adjusted gross income		✗Cash-up to 30% adjusted gross income
	✓Public Securities - fair market value up to 30% of adjusted gross income		✗Public Securities - fair market value up to 30% of adjusted gross income
	✓Appreciated property - fair market value up to 30% of adjusted gross income		✗Appreciated property - cost basis up to 20% of adjusted gross income
👍✓	Low annual administration and management fees	👎✗	Costly ongoing administration and management fees
👍✓	Anonymity can be maintained, if desired	👎✗	Requires public disclosure
👍✓	No penalty taxes	👎✗	Penalty taxes imposed for excess business holdings or self-dealing
👍✓	Professional staff available for grantmaking consultation	👎✗	May need to obtain expert advice for effective grantmaking
=	Can be established during lifetime or through trust and estate	=	Can be established during lifetime or through trust and estate
=	Fund name chosen by donor	=	Foundation name chosen by donor
=	Donor can involve family and heirs in grantmaking	=	Donor can involve family and heirs in grantmaking