

Intro

Did you know that you can reduce your taxable income, while benefiting your favorite charities?

Consider Donor Advised Funds (DAFs).

DAFs are private funds administered by a third party (e.g. Charles Schwab, Fidelity Charitable, Blackbaud Giving Fund, Vanguard Charitable, Morgan Stanley, TD Ameritrade, Edward Jones Charitable Gift Fund and others) to manage charitable donations.

Some require minimum contributions, but not all. Once a contribution is made, the third party invests the money so it grows.

Learn More



Scan this with your phone's camera & tap the link.

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Development@PilgrimCenterOfHope.org

PilgrimCenterOfHope.org/Donate

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Giving

Pilgrim Center of Hope is currently registered through Charles Schwab, Blackbaud Giving Fund, and Vanguard. We are also registered with GuideStar, a nonprofit registry.

If you choose a fund that does not have Pilgrim Center of Hope listed, please call us (210-521-3377) for our Tax ID number and banking information.

Tip: Some brokerages give donors the option to sign and submit a transfer request electronically, while others require donors to mail in their transfer requests.

Thank you

for your consideration of this option!
Your contribution helps this vital ministry of evangelization bring hope to others.

HOPE

Give & Receive

DONOR ADVISED FUNDS

Reduce your taxable income, while benefitting your favorite charities.



PILGRIM
Center of Hope

Guiding people to Christ

The Basics



Donors can see **significant tax savings** when they give to a charity through the DAF, instead of donating cash.



Donors can **avoid capital gains taxes** and **receive income tax deductions** for the present value of the stock.

DAFs can be tax-advantaged in windfall years due to significant capital gains or appreciated assets (stock, mutual funds and Exchange-Traded Funds, or ETFs).

KEY TERMS

A **capital gain** is the current value of a stock, minus the purchase price.

Cost basis is the original purchase price.

Applied Example:

A stock is currently worth \$125. If an individual purchased a share five years ago at \$25, their **cost basis** is \$25 and their **capital gain** would be \$100.



A donation through a DAF lowers a person's taxable income.

Here's How

If a donor has an **annual** income of **\$200,000**,
and receives a \$40,000 deduction due to their donation through a DAF,
the **taxable** income would be **\$160,000**.

Plus!

Assets contributed to a DAF are not included in your estate, so they don't count toward your total estate value.

Investing in DAFs can therefore reduce the size of your taxable estate.

Step by Step

1 Set up a DAF account with a financial institution.

Investigate to see if there is a minimum; some financial institutions have minimums, some do not.

2 Make an initial, irrevocable gift (cash, stock, mutual fund or ETF) to fund the DAF.

3 The assets in the DAF grow tax-free.

4 You make annual recommendations on gifts to be made from your DAF to one or more qualified nonprofit charities.

To make a stock donation from a DAF, donors will need their broker's charitable gift transfer form. This may be available online.

PILGRIM CENTER of HOPE

Please see back panel for details on giving through your Donor Advised Fund. If giving through your DAF, consider a recurring donation.