



Donor Advised Funds

Want to gift to the Santa Barbara Maritime Museum but need to sell appreciated stock that would trigger capital gains? Want a larger tax deduction one year, but gift to multiple charities over a much longer time period? Want a way to give to charities that simplifies the process for your accountant, and not have to track all of those checks or cash gifts, or non profit gift acknowledgement letters? A [Donor Advised Fund](#) is the fastest-growing charitable giving tool available that meets all of these goals.

A Donor Advised Fund is a charitable giving vehicle sponsored by a public charity that allows you to make a contribution to a charity and be eligible for an immediate tax deduction, and then recommend grants over time to any IRA-qualified public charity. Several well-known public charities that operate donor advised funds include the Santa Barbara Foundation, Fidelity Investments and Charles Schwab.

As an example, let's say you have \$10,000 of stock that has a cost basis of \$6,000 and a gain of \$4,000. If you sold it, you could trigger a 15% Federal tax (and possibly California taxes in addition) on the \$4,000 gain, or \$600 of taxes owed, leaving only the \$9,400 difference in cash to gift to a charity. As an alternative, you could gift the full \$10,000 of appreciated stock to your Donor Advised Fund, and as a public charity they sell the stock and incur no capital gains tax, leaving you the full \$10,000 to gift to your charity of choice. To facilitate your donation of funds to the Maritime Museum, please contact Executive Director Greg Gorga at ggorga@sbmm.org or call 805-456-8742.