

## How the Donor-Advised Funds Work

When you make a contribution to a Donor-Advised Fund of the U.S. Charitable Gift Trust® (Gift Trust), you'll be eligible to receive an immediate federal income tax deduction. Once you've made your charitable contribution, you may select from eight investment funds or a combination of these funds, that you want your donation to be invested in.\* You may then recommend grants to qualified charitable organizations as described in the Gift Trust's Gifting Booklet. You are encouraged to consult with your tax advisor or accountant prior to finalizing the Donor Information Form. Tax benefits depend upon your individual circumstances.

### Contributions

#### Who's Eligible to Donate?

Each Donor-Advised Fund (DAF) may accept contributions from individuals, trusts, estates and others. The Donor-Advised Fund may also accept contributions from other donor-advised funds and private foundations, although such donations are not tax deductible by the Donor.

#### Generally Acceptable Contributions

- Cash
- Stocks
- Mutual funds
- Certain restricted securities or privately held stock
- Real estate
- Tradable municipal bonds
- Pre-IPO shares
- C or S Corp stock
- LLC & LP interests
- Cash value of life insurance
- Annuities
- Other DAF or private foundations

Learn more about [Gifting with Non-Cash Assets](#)

A minimum initial donation of \$10,000 is required, after which subsequent minimum donations of \$1,000 may be made. Contributions other than cash, stocks or mutual funds may have different minimums, may require prequalification, involve longer processing time and are accepted on a case-by-case basis. Please check with Eaton Vance on acceptable contributions and minimums. Clients should consult with their legal and tax advisors prior to making a gift.

#### Generate an Immediate Income Tax Deduction

Individual donors are eligible for an immediate itemized income tax deduction for their contributions. Donors can get the benefit of a deduction in the same year they make a gift but can take their time planning grant recommendations.

#### Diversify Concentrated Holdings<sup>1</sup>

Individuals who are charitably inclined and who own a highly concentrated position in one security can diversify their assets, potentially grow their assets in a Donor-Advised Fund and provide more for charity.

#### Avoid Capital Gains Taxes

### How to Set Up...

[Donor-Advised Fund  
Account](#)

### I Want to View...

- [Donor-Advised Funds  
Forms Booklet](#)
- [Entity Form – Used  
with Forms Booklet  
when contributing as  
Corporations,  
Nonprofits, and other  
Entities.](#)
- [Donor-Advised Fund  
Performance Report](#)

Gifts of long-term appreciated securities avoid capital gains taxes and may receive a deduction based on their market value (subject to limits).

## Avoid Estate Taxes

Assets contributed to the Donor-Advised Fund will be removed from the value of your estate for federal estate tax purposes and will avoid probate.

<sup>1</sup> Diversification cannot assure a profit or protect against loss.

Tax law is subject to change. Consult your tax advisor to review your personal situation and tax law applicable at the time of your contribution.

## Investment Options

### Investment Options

We offer a broad range of investment funds (Investment Funds) managed by Eaton Vance Management (Eaton Vance) and its affiliates, including responsible investing funds managed by Calvert Research and Management (Calvert), which is a wholly-owned subsidiary of Eaton Vance.<sup>1</sup> You may recommend the allocation of your contributions among the eight Investment Funds. You may recommend transfers in your Donor-Advised Fund account among the Investment Funds, with approval by the Trust's Board of Directors. Please review the Donor-Advised Fund Performance Report for underlying Investment Fund information. The current Investment Funds are:

### Investment Funds

- **Growth Fund:** The Growth Fund seeks long-term capital growth by investing primarily in common stocks, including U.S., developed international and emerging market equities.
- **Growth & Income Fund:** The Growth & Income Fund seeks total return by investing primarily in income-producing equity securities and investment grade debt obligations. The Growth & Income Fund invests in a mix of U.S., international and emerging market equities, investment grade debt and below investment grade debt obligations. The Growth & Income Fund seeks to realize both capital appreciation and current income.
- **Income Fund:** The Income Fund seeks current income from a variety of debt and other income-producing securities, including global equities. The Income Fund's principal value will fluctuate.
- **Gift Preservation Fund:** The Gift Preservation Fund invests primarily in debt securities with low interest-rate risk. The Gift Preservation Fund is not a money market fund and has principal risk.<sup>2</sup>
- **Cash Management Fund:** The Cash Management Fund invests in institutional shares of State Street Institutional U.S. Government Money Market Fund, an unaffiliated money market fund. The rate of income for the Cash Management Fund will vary, generally reflecting prevailing short-term money market interest rates minus fund expenses. If expenses of the Cash Management Fund are greater than the interest earned, your account may lose principal. An investment in the Cash Management Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, and it is possible to lose money by investing in the Cash Management Fund.<sup>2</sup>

### Responsible Investing Investment Funds

- **Calvert Responsible Investing Conservative Fund:** Seeks to provide current income and capital preservation and, as a secondary objective, long-term capital appreciation. The Calvert Responsible Investing Conservative Fund invests in a diversified mix of Calvert investment companies, each of which generally implement the Calvert Principles for Responsible Investment that guide the investment research and decision-making process.
- **Calvert Responsible Investing Moderate Fund:** Seeks to provide current income and moderate long-term capital appreciation. The Calvert Responsible Investing Moderate Fund invests in a diversified mix of Calvert investment companies, each of which generally implement the Calvert Principles for Responsible Investment that guide the investment research and decision-making process.
- **Calvert Responsible Investing Growth Fund:** Seeks to provide high long-term capital appreciation and, as a secondary objective, current income. The Calvert Responsible Investing Growth Fund invests in a diversified mix of Calvert investment companies, each



of which generally implement the Calvert Principles for Responsible Investment that guide the investment research and decision-making process.

### Potential for Growth, Benefiting More Charities

Because the Trust is setup as a tax-exempt organization and a public charity,<sup>3</sup> contributions of appreciated securities to a Donor-Advised Fund of the Trust are generally not subject to capital gains tax.<sup>4</sup> Contributions are sold and reinvested in the Investment Fund(s). The earnings from each Investment Fund accumulate tax-free, so your gifts have the potential to grow and could, therefore, provide even greater support to the charities you care about.

### Potentially Benefit from Quality Money Management

As listed above, you can seek different investment objectives with the Trust's Investment Funds, including, for example, long-term capital growth or capital preservation. The Investment Funds are managed by professionals at Eaton Vance and its affiliates, including Calvert. Calvert's responsible investing funds may allow you to align your Donor-Advised Fund account with your values.

All information herein is qualified by the Trust's Gifting Booklet. For more complete information about the Trust, please see the Trust's Gifting Booklet (as may be amended), which should be read carefully before contributing.

<sup>1</sup>The Growth Fund, Growth & Income Fund, Income Fund, Gift Preservation Fund and Cash Management Fund will be invested in registered investment companies that are managed by Eaton Vance and its affiliates. The Calvert Responsible Investing Conservative Fund, Calvert Responsible Investing Moderate Fund and Calvert Responsible Investing Growth Fund will be invested in Calvert-sponsored registered investment companies, and may invest in institutional shares of BlackRock Treasury Trust Fund, an unaffiliated money market fund. Eaton Vance Distributors, Inc. is a major distributor, Eaton Vance Management is an investment adviser and administrator of registered investment companies.

<sup>2</sup>This Investment Fund is not a money market fund and has principal risk.

<sup>3</sup>The Trust has received a determination from the U.S. Internal Revenue Service that it is a tax-exempt organization as described in Sections 501(c)(3) and a public charity as described in Sections 509(a)(1) and 170(b)(1)(a)(vi) of the U.S. Internal Revenue Code of 1986, as amended.

<sup>4</sup>Check with your tax advisor or state to determine whether there are additional capital gains taxes due.

## Support

### Grants

Donors and Donor Advisors may recommend grants of \$100 or more at any time to qualified U.S. charities.

### Online Access

Grants can be made online through the [My Charitable Fund](#) website or with a grant recommendation form.

### Customized Grants

After approval, a grant check accompanying a letter will be sent to the recipient organization. The letter is personalized per the Donor's instructions and can also have a special purpose noted, such as "In honor of or in memory of ..."

- *Full Disclosure* – Will provide the name of the individual(s) named as Donor Advisor(s) and their mailing address
- *Partial Disclosure* – Will provide only the account name of the Donor-Advised Fund (e.g., "The William s Charitable Fund")
- *Anonymity* – Will not disclose any donor information with the grant and only have information that the gift came from the U.S. Charitable Gift Trust

### No Maximum Number of Grants



There are no restrictions on maximum number of grants that can be recommended in any given time period.

### **No Annual Grant Requirement**

Generally, the Trust intends to make aggregate grants of a minimum of 5% of the Trust's average net assets per year. If this benchmark is not met in a given year, the Trust may contact Donors, Donor Advisors and Successor Donor Advisors, if acting, whose Donor-Advised Fund accounts have not made grants of at least 5% of the Donor-Advised Fund account's net assets, and provide them with the opportunity to recommend grants of such amounts so that the Donor-Advised Fund account will have made grants totaling at least 5% of its value.

### **No Minimum Balance Requirement**

There is no minimum balance required to maintain a Donor-Advised Fund account, but if a Donor's account falls below the minimum grant size, the Trustee may request the Donor to make a final grant recommendation or additional contributions.

### **Recurring Grant Option**

Once you have recommended a grant, you can easily set the frequency of recurring gifts to be made to that charity. The grants will be made automatically on your designated time frame (monthly, quarterly, annually) and a confirmation will be sent to you for notification.

## **Benefits**

### **Upfront Charitable Deduction**

Donors are eligible for an immediate income tax deduction today for their contributions but do not have to decide where grants are distributed until at a later time.

### **Potential for Gifts to Grow Over Time**

Assets may be invested in a combination of the five Investment Funds with different investment objectives and have the potential to grow tax-free, meaning more can be gifted down the road to charities.

### **Support Charities on Your Timetable**

You can decide when and how much to give to charities anytime down the road as long as they are IRS-qualified public charities, and gifts are not used for any private benefits.

### **Successor Options**

Upon the passing of the Donor Advisor(s), the remaining principal can be left for you to start a legacy, whether by naming a Successor Donor Advisor, gifting outright to up to 10 of your favorite charities or leaving an endowment to your favorite charities (the latter two are subject to review and approval by the Board of Directors, other requirements may need to be met). A combination of the three choices may be utilized and changed anytime down the road.

### **Naming a Successor Donor Advisor**

You may designate Successor Donor Advisor(s) to direct and recommend gifts to charitable organizations over time from the remainder of your Donor-Advised Fund account. Successor Donor Advisors may also name a successor or someone in the next generation to take over after the Donor has passed away.

### **Supporting Your Favorite Charities**

You may designate up to 10 different charities to receive grants from the remainder of your Donor-Advised Fund account.

### **Leave an Endowment for Your Charities**

You may leave an endowment for your favorite charities by distributing a percentage or annual grant amount over time until the Donor-Advised Fund account has been depleted. This leaves a long-lasting gifting legacy to your charities over time.

### **Create a Philanthropic Tradition**

Designate as many generations of successor Donor Advisors to your Donor-Advised Fund account



as you desire. This allows you to establish a philanthropic tradition for many years to come for your children or other important people in your life.

### **Enjoy Low Costs and Virtually No Paperwork**

Donor-Advised Fund account costs nothing to establish and no out-of-pocket expenses are required for account maintenance. There are no additional legal fees to establish a Donor-Advised Fund. The Fund's Administrator handles all of the record keeping and sends contribution confirmations that include the Administrator's calculation of the associated income tax deduction.

## **Communication**

### **Virtually No Paperwork**

The Administrator handles all of the record keeping and sends contribution confirmations that include the Administrator's calculation of the associated income tax deduction.

### **Online Account Access**

Access your Donor-Advised Fund account through the [My Charitable Fund](#) website. Online access provides you with the ease and flexibility to submit grant recommendations electronically, view your account balances at your convenience, check the status of grants and track additional contributions. Forms and contact information are also available.

### **Acknowledgement of Contributions**

All contributions have written acknowledgement mailed within five business days of processing. Contribution acknowledgements serve as your tax receipts.

### **Quarterly Statements**


Statements are issued quarterly, reporting earnings and the account balance for the period. Online access through [My Charitable Fund](#) website will allow you to view your account balances at your convenience.

### **Quarterly Newsletter**

*The Philanthropist* is a quarterly publication provided by the U.S. Charitable Gift Trust. In each issue, we will provide valuable information, highlighting current news and resources about gifting.

\*The Board of Directors of the Trust has the authority to make all final allocation decisions.

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U.S. Charitable Gift Trust® (Gift Trust) is a tax-exempt public charity offering donor-advised funds. All activities of the Gift Trust, the U.S. Legacy Income Trusts (Legacy Income Trusts) and the pooled income funds established by the Gift Trust prior to the Legacy Income Trusts (Heritage Pooled Income Funds) and the participation of Donors and income beneficiaries in the Legacy Income Trusts and Heritage Pooled Income Funds are subject to the requirements of state and federal law, the terms and conditions of the applicable Declaration of Trust, the current information statement and/or gifting booklet and the completed forms submitted by each Donor. The Board of Directors of the Gift Trust (Board of Directors) reserves the right to modify the program of the Gift Trust, the Legacy Income Trusts and Heritage Pooled Income Funds at any time, subject to the provisions of the applicable Declaration of Trust and state and federal law. Any contribution to the Gift Trust, a Legacy Income Trust or Heritage Pooled Income Fund, once accepted by Eaton Vance Trust Company (Trustee), represents an irrevocable commitment. Contributions cannot be rescinded or changed, and are subject to the exclusive legal control of the Gift Trust, the Trustee and the Board of Directors. Donors to the Legacy Income Trusts and the Heritage Pooled Income Funds should be motivated by charitable intent. As charitable giving vehicles, the Legacy Income Trusts and Heritage Pooled Income Funds should not be treated as, and are not designed to compete with, investments made for private gain. An intention to benefit the Gift Trust and one or more qualified charitable organizations eligible for support by



the Gift Trust should be a significant part of the decision to contribute. The tax consequences of contributing to a Legacy Income Trust or a Heritage Pooled Income Fund will vary based on individual circumstances. Prospective Donors should consult their own tax advisors. Distributions to income beneficiaries are not guaranteed by any party, and are subject to investment risk. In considering potential changes in annual distribution rates of the Legacy Income Trusts, the Trustee will assess their long-term earnings potential and seek to balance the interests of current and future income beneficiaries and the charitable remainder interests. None of the Gift Trust, the Legacy Income Trusts or the Heritage Pooled Income Funds has been registered under federal securities laws, pursuant to available exemptions. None of the Gift Trust, the Legacy Income Trusts or the Heritage Pooled Income Funds is guaranteed or insured by the United States or any of its agencies or instrumentalities. Contributions are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of, or guaranteed by, any depository institution.

***Eaton Vance Distributors, Inc. is a paid solicitor of the Gift Trust, the Legacy Income Trusts and the Heritage Pooled Income Funds, receiving compensation as described in the applicable information statement or gifting booklet.***

This site and the materials herein are directed only to certain types of contributors and to persons in the United States where the Gift Trust, Legacy Income Trusts and Heritage Pooled Income Funds are authorized for distribution.

*Publication details: Friday, August 28, 2020 10:37 AM*

*Page ID: 1213 - <https://www.uscharitablegifttrust.org/donor-advised-funds.php>*

