

# WAYS TO ESTABLISH A FUND

COMMUNITY FOUNDATION OF NEW JERSEY

**Contribute what is best for you,  
today and tomorrow.**

**Because donors' situations are unique and change over time, we tailor philanthropic plans around all types of asset contributions – from simple to the more complicated. You may contribute any type of asset to your fund, at any time.**

## CASH

A cash gift made with a check, wire transfer, or credit card is the simplest way to add to a named fund at the Community Foundation. Gifts are deductible up to 50% of your adjusted gross income. Amounts exceeding this limit can be carried forward up to an additional five years.

## SECURITIES

Public and closely held stock gifts give you deductions for full fair market values up to 30% of your adjusted gross income. Amounts exceeding this limit can be carried forward up to an additional five years. As an added benefit, you avoid capital gains tax on the appreciated portion of the gift.

## REAL ESTATE

A gift of real estate can unlock high charitable value. There are many ways to gift property, depending on your financial and charitable goals. Your options will provide a fair market value tax deduction and, in many cases, the avoidance of capital gains tax.

## CLOSELY HELD BUSINESSES

Contributions of C corporations qualify for fair market value tax deductions. S corporations, partnerships (limited or general), and LLCs must be considered on a case by case basis; we encourage you to call us to discuss your circumstances.

## RETIREMENT PLAN BENEFICIARIES

An inherited retirement plan imposes income tax obligations on an heir. Plans such as profit sharing, 401(k), or IRA are good assets to gift to a named fund since they are some of the few assets that carry inherited income tax burdens.

## CHARITABLE LEAD TRUSTS

This vehicle permits your named fund to receive an income interest for a specified period of time. You can recommend gifts from your fund to charities once the trust ends. The trust then benefits the individuals of your choosing: children, grandchildren, relatives, or others.

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## LIFE INSURANCE

You receive an immediate tax deduction approximating the cash surrender value of a life insurance policy when you name the Community Foundation as the owner and beneficiary. Additionally, all subsequent premium payments made by you are tax deductible.

## LIFE INSURANCE BENEFICIARIES

Avoid federal estate taxes and create a charitable legacy by maintaining ownership of your policy and naming the Community Foundation as a beneficiary. During your lifetime you have access to its cash value and, if you choose, can change the beneficiary at any time.

## BEQUESTS

You can add to a named fund in your will or trust through a bequest to the Community Foundation. Your gift can fill any charitable aspiration, from establishing a **Community Action Fund** to leaving a family legacy to engage your children in philanthropy.

## LIFE INCOME PLANS

These options offer an income for life, while enabling you to leave a charitable legacy at a later time. **Charitable Remainder Trusts** and **Charitable Gift Annuities** allow an immediate calculated income tax deduction and eliminate capital gains tax on appreciated gifts held over a year.

For more  
information,  
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