

Moving your private foundation to a Giving Fund

General principles for moving your foundation's assets into a donor-advised fund at NCF

More and more individuals and families are choosing to shut down their private foundation and move its assets into a Giving Fund (donor-advised fund) at the National Christian Foundation (NCF). A Giving Fund is a simple, flexible tool that offers greater tax advantages over private foundations and allows you to manage all your giving in one place, online, anytime. The following five steps are general principles that outline the termination and transfer process. Please note that this does not constitute nor does NCF provide legal, tax, or financial advice. You should always consult professional advisors concerning the consequences of your charitable activities.

1. Start with your Board

Your foundation's board must authorize the dissolution in accordance with the foundation's governing documents and the laws of its home state.

2. Pay liabilities

Identify all outstanding liabilities – including projected taxes and estimated costs of dissolving the foundation, such as legal and accounting fees – and hold them in reserve. Prior to the end of the foundation's last calendar year, it must pay all of its costs.

3. Make a grant to your NCF Giving Fund

After completing Step 2, distribute the remaining assets in the foundation as a final grant to your Giving Fund at NCF. Visit ncfgiving.com/forms for instructions and to open a new Giving Fund.

4. Meet any state law requirements

File the documents, provide the notification, and pay the fees as required by state law to dissolve the foundation. Dissolution may take several months to complete and often is best if done prior to the foundation's last year-end.

5. File a final return

File a final Form 990-PF and pay any remaining federal taxes. The IRS may require additional documentation, but it does not require additional notification (because NCF has been a public charity for more than five years).

Learn more or get started today.

Visit us online at ncfgiving.com or call us at 800.681.6223.