



American
Heart
Association.

Donor Advised Funds

A donor advised fund, or DAF, is like a charitable investment account for the sole purpose of supporting charitable organizations you care about.

When you contribute cash, securities, or other assets to a donor advised fund, you are generally eligible to take an immediate tax deduction. Then those funds can be invested for tax-free growth, and you can recommend grants to virtually any IRS-qualified public charity.



How Does a DAF Work?

- **Fund your account:** To establish your donor advised fund, you make an irrevocable contribution—which could include cash, stock, real estate and more.
- **Receive an immediate tax deduction:** When you contribute to your donor-advised fund, you may be eligible to claim an itemized tax deduction for federal and/or state income tax purposes. Because donor advised fund sponsors are public charities, your donation is considered a tax-deductible charitable contribution. The amount of the deduction will depend on several factors, including the type of asset donated and how long you have owned it. This arrangement allows you to plan your gift when it makes sense for you and to recommend grants to your favorite charitable organizations at any point in the future.
- **Personalize your DAF account:** As you establish your donor advised fund account, you can structure it in a way that best meets your charitable goals. You can name your donor advised fund anything you would like; appoint friends and family members to help you manage the responsibilities of your DAF; and design a legacy plan to determine what will be done with your DAF assets beyond your lifetime, which may include appointing successor advisors or charitable beneficiaries.



- **Invest your DAF assets for growth:** You can recommend an investment strategy for the assets in your donor advised fund account. The assets in your DAF are invested following your recommendations. Any investment growth is tax-free, giving you the potential to create even more money for grantmaking.
- **Support your favorite charities, now or in the future:** As soon as your donor advised fund is established and funded, you can recommend grants to the charitable organizations closest to your heart. You can make single or recurring grants, either with recognition or with total anonymity.
- **Use your fund to make a gift now:** Donors may recommend grants at any time to qualified U.S. charities. Typically, 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 ...".
- **Create a legacy gift:** The final distribution of contributions remaining in your DAF after your lifetime can be designated when you create or update your fund. By simply completing the beneficiary designation form assigned to your fund, you can name successor advisors to your fund or a specific charity(ies) to receive a portion of your fund balance.

American Heart Association Donor Advised Fund Program

- If you are looking to create a donor advised fund for the first time consider establishing your account with the American Heart Association.
- Existing DAFs can be transferred to establish or add to an American Heart Association donor advised fund easily and at no cost.
- Our Tobacco Free Investment Portfolio aligns with our donor's passion in the fight against heart disease and stroke.

Benefits

- Mission aligned investing options.
- An organization with a century of proven excellence.
- Personal assistance in setting up your account.
- Name your account to reflect your passions and values.
- Involve family or close friends in your charitable legacy.
- Maximize your giving power by investing and growing your account funds.
- You can make grants anonymously.
- Receive an immediate income tax deduction when you contribute.
- By donating non-cash assets that have grown in value, you may avoid capital gains taxes (real estate, stocks, closely held business interests and cryptocurrency).

How It Works

1. **Donate.**
Make a tax-deductible donation to create your American Heart Association donor advised fund account.
2. **Choose from one of our mission aligned Tobacco-Free investment options.**
Ensure your fund isn't invested in companies that derive revenue from the manufacturing of tobacco or tobacco-related products. Also your current advisor can continue to help you invest and grow your charitable assets with a strategy that works best for you.
3. **Make a BIG impact.**
Recommend grants to your favorite qualified public charities.

To find out if the American Heart Association Donor Advised Fund Program is right for you, contact us at **888-227-5242** or **plannedgiving@heart.org** and learn more at **[Heart.org/donoradvisedfund](https://heart.org/donoradvisedfund)**.

