

## A Guide to Charitable Giving

Charitable giving allows individuals to support causes they value while potentially receiving tax benefits. As a New York State resident, you have access to several options for structured and impactful giving.

### Direct Contributions

- **Cash donations:** The simplest method of giving; can be made online, by check, or in person to a qualified nonprofit organization.
- **In-kind donations:** Contribution of goods or services instead of money, such as clothing, food, or professional expertise.

*Tax considerations:* Cash donations are typically tax-deductible if given to IRS-qualified 501(c)(3) organizations.

### Donor Advised Funds (DAF)

- A DAF allows you to contribute to a fund held by a public charity, receive an immediate tax deduction, and recommend grants to your chosen nonprofits over time.
- The donor makes an irrevocable contribution to the fund, and can include cash, securities, or other assets.

*Tax considerations:* Contributions are tax-deductible in the year they are made.

### Charitable Trusts

- **Charitable Remainder Trust (CRT):** Provides income to the donor or other beneficiaries for a specified period, with the remainder going to a charity.
- **Charitable Lead Trust (CLT):** The reverse of a CRT; providing income to a charity for a set period, with the remainder returning to the donor or their heirs.

*Tax considerations:* Trusts can offer estate and income tax benefits depending on the structure.

### Private Foundations

- Establishing a private foundation allows for significant control over charitable distributions.
- Requires administrative oversight and compliance with federal and state regulations.

*Tax considerations:* Contributions to a private foundation are tax-deductible, with limits depending on the donor's adjusted gross income (AGI).

**Let's talk.**

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