



THE COMMUNITY FOUNDATION ADVANTAGE

Community foundations such as The Pittsburgh Foundation and The Community Foundation of Westmoreland County offer charitably inclined individuals and businesses many distinct advantages over private foundations. This includes in-depth knowledge of a community’s most pressing issues and concierge-level service to help guide you as you develop a philanthropic giving plan. Other advantages include:

	The Pittsburgh Foundation	Private Foundation
Excise tax	No excise tax	Excise tax of 1 to 2%
Tax-exempt status	Receives public charity status from the Foundation	Must establish separate tax-exempt status as a private foundation
Charitable deduction limit	60% for cash gift 30% for stock or real property	30% for cash gift 20% for stock or real property
Minimum payout requirements	None	At least 5% of asset value each year (regardless of income)
Timeline	Can establish within 24 to 48 hours	Can take months to file paperwork
Anonymity	Grantmaking can be anonymous	No anonymity
Minimum amount to establish	\$10,000	According to the Center on Foundations, a minimum of \$2 to \$3 million is practical to start a private foundation
Investment options	Donor is able to select investment manager	Donor is able to select investment manager
Annual tax filing and returns	None required; The Pittsburgh Foundation files one 990 on behalf of all funds	Separate tax and information return must be filed annually along with required schedules

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	The Pittsburgh Foundation	Private Foundation
Grantmaking and nonprofit expertise	Access to our expertise in nonprofit landscape, Center for Philanthropy, and suite of donor services to create a strategy for grantmaking and impact	—
Next generation engagement	Trained staff can assist in family meetings and help with succession planning	—

To learn more about why a community foundation charitable giving fund may be right for you, please contact The Pittsburgh Foundation at 412.394.2653 or pittsburghfoundation.org. Reach The Community Foundation of Westmoreland County at 724.836.4400 or cfwestmoreland.org.