Greater Grand Island Community FOUNDATION

The Benefits of Donor-Advised Funds

What is a DAF?

A donor advised fund (DAF) is simply a fund set up by a donor and administered by a public charity. A donor can a DAF, receive an immediate tax benefit that year and then provide guidance on donations given from the fund to nonprofits for as long as the fund exists – donating more money to the DAF as desired.

DAFs and Bundling

With higher standard deductions for taxes, some donors are choosing to bundle their giving in order to continue giving at the same levels as before. This means donating two- or three-years' worth of giving at one time, claiming the charitable deduction that year, and then waiting that period of time to donate again.

One way to bundle is by creating a DAF. This gives the person the option to bundle the donation to their DAF that first year and then continue to support their nonprofits every year from the DAF.



2026 Standard Tax Deductions

- $15,000 for Single / Married filing separately
- $22,500 for heads of household
- $30,000 for married couples

How Bundling Works

Year One

Donate 2 year's worth of giving to your DAF.

Itemize your deductions.

Year Two

Work with the Greater Grand Island Community Foundation on donating from the DAF.

Take the standard deduction.

Year Three

Donate 2 year's worth of giving to your DAF.

Itemize your deductions.

Types of Gifts

Cash

Donors can deduct up to 60% of adjusted gross income for cash contributions. If your cash donations exceed that limit, you can carry forward any unused deductions for five years.

Appreciated Stock

When you donate stock, you can deduct the full value of the stock at the time you donate it and avoid tax on the appreciation or capital gains.

Non-Cash Assets

You can also donate other non-cash assets, such as real estate holdings or art collections. The charitable deduction will depend on the type of asset and whether it is put to a related use.

Contact the Greater Grand Island Community Foundation for more information about creating Donor Advised Funds or other charitable giving opportunities.

(308) 381 7767 www.gicf.org 1503 W 2nd St, Grand Island, NE, 68801