

Process for 990PF Election Distribution Out Of Corpus

Contributions from Individuals

Individuals making charitable contributions to the Foundation generally seek a 50% tax limitation on their personal tax return. The Foundation must do the following for individuals to obtain that benefit:

- contributions made to the Foundation must be paid to Foundation grantees by March 15 of year following the contribution (they are generally paid within a few days of receiving the contribution)
- include in the Foundation's Form 990PF an election to distribute contributions out of corpus
- by March 15 of the year following the contribution, send a notice to the contributor the contributions were passed through
- send the IRS required acknowledgement letter to the contributor

Contributions from Corporations, Private Foundations, and Public Charities

These entities are not subject to the limitation rules applied to individuals. The election to distribute from corpus is not required in the Foundation's Form 990PF.

Contributions from Trusts

The Foundation has not received contributions from a Trust. The Foundation is the beneficiary of two Trusts. They are the Sarah Doll Barder Trust and the Caroline D Residuary Trust. The Foundation will receive 70% of the assets from the Barder Trust when the primary beneficiary, Sarah D Barder, dies. It is uncertain as to the payout time frame for the Caroline D Residuary Trust. There is a document that indicates that upon Sarah D Barder's death, the Foundation will receive income from the trust for 30 years. After 30 years, the assets of the trust will be paid to the Foundation. Documentation for the Caroline D Residuary Trust should be examined upon the primary beneficiary's death to determine if there should be a complete distribution similar to the Sarah Doll Barder Trust.

No research on Form 990 elections or filing requirements that must be made for contributions from a trust have been done at this time.