Neumann University Center for Leadership

New Models in Philanthropy

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TOPICS

I. Use of a Limited Liability Company Owned by Public Charity and New PA Legislation Creating the Nonprofit Limited Liability Company

II. Gift of Philadelphia Media Network, PBC to Newly Formed Institute for Journalism

III. Fiscal Sponsorships – a "home" for nonprofits (can include an LLC of a public charity)

IV. Mark Zuckerberg LLC Philanthropic Model

V. Endowments and Restricted Gifts - The increasingly preferred choice of wealthy donors

VI. Supporting Organizations: An alternative to an endowment or to carry out charitable activities

VII. Contribution of Assets in a Wrapper (such as an interest in an LP and LLC)

VIII. Private Operating Foundations ("Hands On" Philanthropy)

IX. Limited Life Private Foundations – What to do?

X. Conversion of Private Foundation to Donor Advised Funds

XI. Program-Related Investments by Private Foundations (new state legislation: low-profit LLCs (L3Cs)

XII. Dealing with Contributions of Tangible Personal Property – The Related Function Requirement

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Richard L. Fox, Esq. is a shareholder in the Philadelphia office of the law firm of Buchanan Ingersoll & Rooney PC. He concentrates his practice in the areas of charitable giving, private foundations, tax-exempt organizations, estate planning, trusts and estates, and family planning. Mr. Fox is the author of the treatise, *Charitable Giving; Taxation, Planning and Strategies,* a Warren, Gorham and Lamont publication, writes a national quarterly bulletin on charitable giving, and writes and speaks frequently on issues pertaining to nonprofit organizations, estate planning and philanthropy. He is a Fellow of the American College of Trust and Estate Counsel. He is a member of the advisory board of the *Estate Planning Journal* and BNA Tax Management and is a commentator for Leimberg Information Services, Inc. He is also a member of the American College Chartered Advisor in Philanthropy Board of Advisors, where he previously headed the Chartered Advisor in Philanthropy Program as the Sallie B. and William B. Wallace Chair in Philanthropy. Mr. Fox, who holds an LL.M. degree in taxation from New York University School of Law, is a frequent contributor to the periodicals *Estate Planning* and the *Journal of Taxation.* He has been named by *Worth Magazine* as one of the Top 100 Attorneys in the country representing affluent families and individuals, including in the areas of estate planning, private foundations and philanthropy, as well as a Pennsylvania Super Lawyer in these areas.

Recent Speeches

- *Not-for-Profits and Investments: Doing Well While Doing Good*, Bryn Mawr Trust Company, Merion Cricket Club, November 15, 2016.
- *The Creation of the Institute for Journalism in New Media*, Financial Planners Association of Philadelphia's 29th Annual Spring Symposium, St. Joseph's University, May 11, 2016.
- *Grantmaking and Fundraising in the Digital Age,* Neumann University, The Center for Leadership, April 9, 2016.
- *Charitable Giving and Tax-Exempt Organization Changes Under the PATH Act of 2015*, Webinar, Advisors in Philanthropy, February 16, 2016.
- *Charitable Contribution of Philadelphia Newspapers to Newly Formed Institute for Journalism in New Media*, Temple University Beasley School of Law Media & Communications Law Society, February 9, 2016.
- *The Nuts and Bolts of Charitable Remainder and Charitable Lead Trusts: Tax Rules, Drafting Guidelines, and Creative Planning Ideas*, The 50th Annual Heckerling Institute on Estate Planning (University of Miami Law School), January 14, 2016.
- *Charities in Distress, Bankruptcy and Impact on Restricted Gifts*, Mid-Atlantic Regional Meeting of the American College of Trust and Estate Counsel (ACTEC), September 12, 2015.
- *Selected Topics in Philanthropic Planning*, Princeton Area Community Foundation, May 7, 2015.
- *Private Foundations: Tools to Add to Your Planning Arsenal to Achieve Your Clients' Goals*, The International Association of Advisors in Philanthropy, April 28, 2015.
- *Tax Law: Issues Relating to Memberships, Donations and Benefits and Other Nonprofit Concerns*, Independence Foundation, March 24, 2015.
- *Gifts of Property - Do You Know What You Don't Know?*, The Univest Foundation, May 1, 2014.
- *2014 Charitable Giving in America: The Tax Update*, The Community Foundation of South Jersey, March 4, 2014.
- *The Top Ten Ways Private and Family Foundations Get into Trouble*, The Philadelphia Foundation, Private and Family Foundation Seminar, October 1, 2013.
- *Nonprofit and Philanthropic Tax Issues,* Pennsylvania Institute of Certified Public Accountants, Annual Tax Form, November 8, 2012.
- *Selected Topics in Philanthropy & Tax-Exempt Organizations*, Philadelphia Bar Association - Probate and Trust Section, Tax Committee, September 24, 2012.
- *What Every Estate Planner Needs to Know About Tax-Exempt Organizations and Charitable Gift Planning,* The 46th Annual Heckerling Institute on Estate Planning (University of Miami Law School), January 11, 2012.
- *Private Foundations: Perpetual or Limited Lifespan,* The Philadelphia Foundation, November 4, 2011.
- *Creating Nonprofit Organizations, Daytime With Donna Radio Show, TOGINET Radio,* July 15, 2011.
- *The Power of Charitable Trusts in Planned Giving*, Univest Foundation – 6th Annual Planned Giving and Development Seminar, May 5, 2011.
- *Question and Answer Panel, Ethics and Law Course Presentation*, New York University Heyman Center for Philanthropy and Fundraising, April 26, 2011.
- *Charitable Planning in a Time of Low Interest Rates*, ALI-ABA Seminar, December 2010.
- *Doing Well By Doing Good*, Or Hadash Synagogue, March 2010.
- *Private Foundations: Governance, Duration and Other Hot Topics,* Not for Profit Organization Symposium, Washington D.C., November 2008.
- *Nonprofit Governance and NFP Professionals Serving on Boards,* Not For Profit Organization Symposium, Washington D.C., November 2008.

- *The Art of Philanthropy - Do You Know What You and Your Clients Don't Know: Tools & Techniques for Advisors and Their Clients*, Central Indiana Community Foundation, March 2008.
- *Gifts of Property - Do You Know What You Don't Know?,* Current Topics: Private Foundations and Supporting Organizations, Planned Giving Council of Houston, September 2007.
- *Using Philanthropy to Add Value to Your Clients Relationships*, Presentation at the American College, Professional Advisors' Seminar, June 2007.
- *Luncheon Speech Regarding the Sallie B. and William B. Wallace Chair in Philanthropy at the American College, Advisors in Philanthropy Conference*, Chicago, Illinois, April 2007.
- *Private Foundation Workshop, The Annenberg Foundation*, Annual Retreat, November 2006.
- *Charitable Planning Ideas*, Temple University School of Medicine Reunion Day, October 2006.
- *Donor-Created Entities to Support Public Charities* Planned Giving Council of Greater Philadelphia, 2006 Planned Giving Day Conference, Greater Philadelphia Planned Giving Council, October 2006.
- *Gifts of Property - Do You Know What You Don't Know*, Planned Giving Council of Greater Philadelphia, September 2006.
- *Getting to the Heart of Charitable Giving*, Temple University Planned Giving Day, April 2006.
- *Donor-Created Entities to Support Public Charities*, Lorman Educational Services and Penn State University 60th Annual Tax Conference, March and May 2006.
- *Hot Topics for Academic and Nonprofit Institutions: Essential Issues in Executive Compensation*, Dilworth Paxson LLP Seminar, February 2005.

Recent Publications

- *Private Foundations, Estate Planning Journal, February 2017.*
- *IRS Provides Guidance to Avoid 5% Probability Test for Charitable Remainder Annuity Trusts, Journal of Taxation,* June 2017.
- *Settlor Not Claiming Charitable Deduction Allows Charitable Remainder Trust to Escape Private Foundation Excise Tax Rules*, Steve Leimberg's Planned Giving Design Center, May 2017.
- *Final Regulations Revise Rules on Grants to Foreign Charities by Private Foundations, Journal of Taxation*, March 2016.
- *Charities in Financial Distress: The Impact of Bankruptcy on Donor-Restricted Funds, Estate Planning Journal*, January 2016.
- *Tax Court Issues Opinion on Valuing Remainder Interest in NIMCRUT for Purposes of 10% Remainder Interest Requirement, Net Income Limitation Must be Ignored*, Steve Leimberg's Charitable Planning Newsletter, August 2015.
- *Avoid Unintentional Self-Dealing With Private Foundations*, Estate Planning Journal, August 2015.
- *Recent Cases Denying Charitable Income Tax Deduction Provide Reminder of Need to Strictly Adhere to Statutory Requirements for Deductibility of Façade Easements*, Steve Leimberg's Charitable Planning Newsletter, April 2015.
- *Chief Counsel Advice Applies Substance-Over-Form Doctrine in Disallowing Deduction for Charitable Contribution of Partnership Units*, Planned Giving Design Center, March 2015.
- *CCA 201443019 Provides a Reminder That Fair Market Value Deduction Not Available for Donor Deemed to Be a Dealer of Property Contributed to Charity*, Steve Leimberg's Charitable Planning Newsletter, February 2015.
- *President Obama Signs Charitable Extenders Bill, Only Days Left to Utilize IRA Charitable Rollover for 2014*, Steve Leimberg's Charitable Planning Newsletter, December 2014.
- *Proposed Regulations Apply Special Basis Rules to Combined Sale of Interests in Charitable Remainder Trust,* Journal of Taxation, September 2014.
- *IRA Charitable Rollovers During Legislative Limbo,* Estate Planning Journal, September 2014.
- *New 1023-EZ Form: Streamlines Process for Eligible Small Charities to Apply for IRC Section 501(c)(3) Tax-Exempt Status and Seek Retroactive Reinstatement of Revoked Exempt Status,* Steve Leimberg's Charitable Planning Newsletter, July 2014.
- *New Jersey Appeals Court Requires Refund of Contribution Where Charity Unilaterally Decides Not to Honor the Donors' Originally Expressed Purpose,* Steve Leimberg's Charitable Planning Newsletter, July 2014.
- *Lawsuit Against Johns Hopkins Alleging Violation of Donor Intent Finally Comes to an End as Maryland's Highest Court Lets Stand Decisions of Lower Courts in Favor of Johns Hopkins,* Steve Leimberg's Charitable Planning Newsletter, July 2014.
- *Can a Disclaimant Serve as Advisor to a Donor-Advised Fund Receiving Disclaimed Assets? IRS Ruling Says "Yes,"* Steve Leimberg's Charitable Planning Newsletter, April 2014.
- *Compliance Tips for Type III Supporting Organizations,* Estate Planning Journal, March 2014.
- *Charitable Planning to Avoid New 3.8% Tax on Investment Income,* Estate Planning Journal, August 2013.
- *The Extension of the IRA Charitable Rollover Provision: It's Still Not Too Late to Make an IRA Charitable Rollover for 2012,* Steve Leimberg's Charitable Planning Newsletter, January 2013.
- *Private Foundations Get Expanded Program-Related Investment Options,* Estate Planning Journal, January 2013.
- *Streamlined Method for a Private Foundation to Make Grants to Foreign Charities,* Steve Leimberg's Charitable Planning Newsletter, November 2012.
- *Lawsuit Against Johns Hopkins University Alleging Violation of Contract and Deed Restrictions and Donor Intent Heads to Trial,* Steve Leimberg's Charitable Planning Newsletter, July 2012.
- *Proposed Regulations Clarify That Program-Related Investments May Be Made by Private Foundations to Accomplish a Wider Variety of Charitable Purposes Through a Wider Range of Investment Vehicles,* Steve Leimberg's Charitable Planning Newsletter, June 2012.
- *Tax Court Rescues Tax Deductions for a Charitable Cat Lady*, Estate Planning Journal, May 2012.
- *The Life Span of a Private Foundation: Perpetual or Limited,* Estate Planning Journal, September 2011.

- *Nevada Supreme Court Lets Donor-Advised Fund Ignore Donor's Advice*, Estate Planning Journal, May 2011.
- *Nevada Supreme Court Addresses Issue of First Impression for Donor-Advised Funds*, Steve Leimberg's Charitable Planning Newsletter, February 2011.
- *Breach of Trust: VA Violates Its Duty To Use Land As A Home For Veterans*, The Strawberry Gazette, Vol. 1-Special Issue: Evidence of Home, Issue 7, January 2011.
- *Help for Charitable Trusts That Made Erroneous Conversions*, Estate Planning Journal, January 2011.
- *A Case Study In Transformative Philanthropy: Strawberry Flag,* The Strawberry Gazette, Vol. 1-Harvest, Issue 6, November 2010.
- *Validity of Shark-Fin CLATs Remains in Doubt Despite IRS Guidance*, Estate Planning Journal, October 2010.
- *Proposed Regulations Provide New Guidelines for Type III Supporting Organizations*, Estate Planning Journal, March 2010.
- National Heritage Foundation Debacle Offers Lesson About Donor-Advised Funds, The Chronicle of Philanthropy, February 2010 (opinion piece).
- *Recent DAF Cases Raise Issues of Charities Facing Financial Difficulties*, Estate Planning Journal, January 2010.
- *Charitable Gift Annuities Sold In Scheme Not Exempt From Securities Regulations Under Philanthropy Protection Act of 1995*, Steve Leimberg's Charitable Planning Newsletter, November 2009.
- *IRS Argument That Control by Donor of Private Foundation Disallows Charitable Income Tax Deduction a Loser in Court*, Steve Leimberg's Charitable Planning Newsletter, November 2009.
- *Recent Events Raise Issues About Donor-Advised Funds*, Steve Leimberg's Charitable Planning Newsletter, September 2009.
- *Yeckel – An Important Decision Involving Private Foundations & Excessive Compensation*, Steve Leimberg's Charitable Planning Newsletter, July 2009.
- *Planning and Strategies for Nonexempt Charitable Trusts Part II,* Taxation of Exempts, July/August 2009.
- *Planning and Strategies for Nonexempt Charitable Trusts Part I,* Taxation of Exempts, May/June 2009.
- *Guide to IRS Sample Charitable Lead Trust Forms*, Steve Leimberg's Charitable Planning Newsletter, May 2009.
- *A Guide to the IRS Sample Charitable Lead Trust Forms Part II*, Estate Planning, May 2009.
- *A Guide to the IRS Sample Charitable Lead Trust Forms Part I*, Estate Planning, April 2009.
- *Ray Styles v. Friends of Fiji: Big Winner at Slots a Big Loser with Nevada Charity*, Steve Leimberg's Charitable Planning Newsletter, March 2009.
- *Princeton and Robertson Family Settle Bitter and Long-Standing Litigation over Donor Intent,* Steve Leimberg's Charitable Planning Newsletter, February 2009.
- *Revenue Ruling and Final Regulations Affecting Charitable Remainder Trusts in Detail*, Steve Leimberg's Charitable Planning Newsletter, August 2008.
- *Changes in Rules in Charitable Gifts of Intangible Personal Property*, Steve Leimberg's Charitable Planning Newsletter, January 2008.
- *IRS Continues Ban on Applications for Functionally Integrated Type III Supporting Organizations Except for Those Meeting Advance Notice,* Steve Leimberg's Charitable Planning Newsletter, November 2007.
- *Big Changes In Store for Type III Supporting Organizations*, Steve Leimberg's Charitable Planning Newsletter, August 2007.
- *IRS Guidance Allows Foundations and Donor-Advised Funds to Rely on Third Parties for Determination of Charity Status,* Steve Leimberg's Charitable Planning Newsletter, April 2007.
- *Charitable Limitations and Reforms of the Pension Protection Act*, Part 2, Estate Planning, December 2006.
- *Charitable Limitations and Reforms of the Pension Protection Act*, Part 1, Estate Planning, November 2006.
- *Donor Advised funds, Supporting Organizations, and Private Foundations – Impact of PPA 2006*, Steve Leimberg's Charitable Planning Newsletter, October 2006.
- *New Charitable Giving Incentives and Reforms Have Significant Impact on Donors and Charities*, Steve Leimberg's Charitable Planning Newsletter, October 2006.
- *PLR 200202032 Paints Picture of Success for Restrictions on Charitable Bequests of Art*, Steve Leimberg's Charitable Planning Newsletter, February 2006.
- *A Guide to the IRS Sample Charitable Remainder Trust Forms*, Estate Planning, January 2006.
- *REG-111257-05 Regulations Linking Tax-Exempt Status and Excess Benefit Transactions*, Steve Leimberg's Charitable Planning Newsletter, October 2005.
- *Planning for Contributions to Foreign Charities by Individuals and Foundations*, Estate Planning, July 2005.
- *Practical Charitable Planning for Employee Stock Options*, Estate Planning, May 2005.
- *New Prop. Regs. On Distributions From CRTs Provide Opportunity*, Estate Planning, April 2004.
- *Is a Basis Step-Up Available On Foundation Founder's Death*?, Estate Planning, February 2004.
- *Planning for Donor Control and Other Strings Attached to Charitable Contributions,* Estate Planning, September 2003.
- *Restrictions on Charitable Bequests of Art: Recent Ltr. Rul. Paints a Picture*, Estate Planning, September 2002.
- *Responsible Person and Lender Liability for Trust Fund Taxes - Sections 6672 and 3505*, BNA Tax Management, Inc., Portfolio No. 639
- *Compelled Production of Documents and Testimony in Tax Examinations*, BNA Tax Management, Inc., Portfolio No. 123.