



# DONATE A PRIVATELY HELD BUSINESS INTEREST

To make a donation of a privately held business interest to an existing donor-advised fund at the Greater Kansas City Community Foundation, or to Greater Horizons Trust (our giving vehicle primarily used for gifts of S Corp stock) that will eventually benefit a donor-advised fund at the Community Foundation, please complete the following form. All information collected will remain confidential. All personal data on this form is subject to the Foundation's privacy policy, which can be found at [www.growyourgiving.org/privacy-policy](http://www.growyourgiving.org/privacy-policy).

To establish a new donor-advised fund to receive the donation, please also complete a separate Donor-Advised Fund Agreement, available at [www.growyourgiving.org](http://www.growyourgiving.org).

## 1 Donor-Advised Fund

Name of Fund Fund ID

## 2 Donor Information [List additional donors in Section 5.](#)

First Name Middle Initial Last Name Suffix
Preferred Name or Nickname Date of Birth
Address [ ] Home [ ] Work Phone [ ] Home [ ] Work [ ] Cell
City State Zip Code Email Address

## 3 Professional Advisor Information [List any professional advisors \(accountants, attorneys, financial advisors\) the Community Foundation should include in follow-up conversations regarding the gift described in Section 4. List additional advisors in Section 5.](#)

Professional Advisor Name & Profession Firm Name
Address Phone
City State Zip Code Email Address

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Gift Details

Provide the following information about the potential gift. Include any additional information in Section 5.

Full Legal Name of the Owner of the Business Interest to be Donated

Business Legal Name

Describe the nature of the business and its underlying assets:

[Empty text box for describing the nature of the business and its underlying assets]

The business is legally structured as:

- C Corporation
  - S Corporation
  - Limited Partnership
  - Limited Liability Company (LLC)
  - Other: \_\_\_\_\_
- The Community Foundation does not accept donations of general partnership interests.*

The business is taxed as:

- Partnership
- C Corporation
- S Corporation
- Not Separately Taxed - Single Member LLC

*If the business is a "pass-through" entity for tax purposes (LLC, limited partnership or S corporation), answer the following two questions.*

- |  |   |
|--|---|
| <p>Does the business make any foreign investments?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p> | <p>Does the business make distributions to pay taxes?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p> |
|--|---|

State(s) in which the business files income tax returns

CFO or CPA for the Business

Phone

Email Address

Are there currently any mortgages or other obligations attached to the business? If yes, provide the amount and age of the debt.

- No  Yes: \_\_\_\_\_

Are there any "hot assets" (such as inventory or receivables) that will be part of an eventual sale of the business? If yes, describe.

- No  Yes: \_\_\_\_\_

Is there a deadline for completing the gift? If yes, when?

No  Yes: \_\_\_\_\_

Are there any potential buyers?

No  Yes

Is there a binding obligation to sell the interest?

No  Yes

Is there a possibility for any capital or expense calls?

No  Yes

How many shares or LLC/limited partnership units does the donor wish to donate? \_\_\_\_\_

What percentage interest in the business does the donor wish to donate? \_\_\_\_\_

Will the donor-advised fund together with any related donor-advised funds own more than a 2% voting or profits interests in the business (or in any portfolio company of the business if applicable)?

No  Yes

What is the total percentage of the business that is owned by (i) the donor, (ii) the donor's family members and (iii) any other entities where more than 35% of that entity is owned/controlled by the donor/donor's family members? \_\_\_\_\_

How long has the donor owned the business interest? \_\_\_\_\_

How did the donor acquire the business interest? \_\_\_\_\_

What is the estimated value of the donor's interest being donated? \_\_\_\_\_

How was this value determined? \_\_\_\_\_

What is the donor's cost basis for the business interest being donated? \_\_\_\_\_

*If the business is a private investment fund, please answer the following three questions.*

Is there an expected time horizon until final liquidation and dissolution? If yes, please describe.

No  Yes: \_\_\_\_\_

Does the donor have any unfunded capital commitments related to such private investment fund? If yes, please describe.

No  Yes: \_\_\_\_\_

*The Community Foundation generally cannot accept gifts of business interests if there are any open or unfunded capital commitments.*

Who is the manager of the private investment fund? Please provide their name, email and phone number.

\_\_\_\_\_

## 5

### Additional Information

Provide any additional information you would like us to know.

## 6

### Required Documents

Submit the following documents that coincide with the type of business.

#### Corporation (C or S Corporation)

- ▶ Articles of Incorporation
- ▶ Bylaws
- ▶ Donor's Qualified Appraisal of the Business Interest Being Donated (if available\*)
- ▶ Shareholder and/or Buy-Sell Agreement
- ▶ Most Recent Corporate Financial Statement
- ▶ Most Recent Federal Tax Return (Form 1120S and K-1 for S-Corps; Form 1120 for C-Corps)

#### Limited Partnership

- ▶ Certificate of LP Formation
- ▶ Partnership Agreement
- ▶ Donor's Qualified Appraisal of the Business Interest Being Donated (if available\*)
- ▶ Most Recent Financial Statement
- ▶ Most Recent Federal Tax Return (Form 1065 and K-1)
- ▶ Private Placement Memorandum and Subscription Documents for Private Investment Funds

#### Limited Liability Company

- ▶ Articles of Organization
- ▶ Operating Agreement
- ▶ Donor's Qualified Appraisal of the Business Interest Being Donated (if available\*)
- ▶ Most Recent Financial Statement
- ▶ Most Recent Federal Tax Return (Form 1065 and K-1)
- ▶ Private Placement Memorandum and Subscription Documents for Private Investment Funds

*\*A qualified appraisal is required by the IRS and must be submitted to the Community Foundation ideally before Jan. 31 of the year following the gift. If the donor does not have an appraiser, the Foundation can provide recommendations.*

## 7

### Next Steps

Return this form and the documents listed in Section 6 to [corporatcounsel@growyourgiving.org](mailto:corporatcounsel@growyourgiving.org). A representative from the Community Foundation will review the documents provided and contact the donor and any named advisors listed in Sections 3 and 5 to discuss this gift.

Assuming the Community Foundation can accept this gift after conducting its due diligence, the donor (or donor's counsel) will prepare documents to transfer the business interest and the Foundation will prepare a gift agreement. Please note a one-time transaction fee (minimum \$2,500) will apply to a gift of a "pass-through" entity for tax purposes (LLC, limited partnership or S corporation) that is an operating business rather than a private investment fund.

**Questions? Contact us at [info@growyourgiving.org](mailto:info@growyourgiving.org) or 816.842.7444.**