



These are indeed changed times. When I look at the fall in values on the Irish Stock Exchange, I think of how so many Irish investors in 2007, especially, missed the opportunity to commit (and some did) part of their shareholdings to the establishment of a philanthropy vehicle - a Donor Advised Fund, foundation or trust. The strategic impact for Ireland as a nation in the long-term would have been immense. The ISEQ lost €26 billion in value in 2007 alone and probably at least that again so far this year, with the index having fallen below 3,500. In this climate, charitable demands increase, but the ability to give reduces. Imagine again if even half of one percent of the approximate €50 billion (€50,000,000,000) lost had been committed to philanthropy. Food for thought perhaps for future boom times.

Tina Roche, Chief Executive



Directors of Kennelly & Twomey.

Kennelly & Twomey Establish Fund at The Community Foundation

During summer 2008, Kennelly & Twomey established a Donor Advised Fund at The Community Foundation. This is the **first** such fund established by a professional advisory firm with The Foundation. Kennelly & Twomey Limited was established in 1997 by two tax advisers, Eoin Kennelly and Kieran Twomey. Today they have a team of 21 tax advisers advising private clients on all aspects of their tax affairs. "We chose to set up a fund at The Community Foundation for Ireland for a number of reasons. Firstly we want to support a number of community initiatives in a strategic manner, secondly if we are recommending The Foundation to clients we would like to have first-hand experience of their work, and finally working with The Foundation should simplify the process of giving and help us to assess the impact of our donations" said Eoin Kennelly, Director.

Our Board

Patron: Mary McAleese, President of Ireland
Chairperson: Brian Wilson.

Directors: Harry Byrne, Barry Connolly, Adrian Crawford, John Dunne, Brian Geoghegan, Eamonn Heffernan, John Hynes, Sr. Stanilaus Kennedy, Anna Lee and Brian Wilson.

Goodwill Ambassadors: John Gallagher, Chris Horn.

Contact Us

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Mailing List

If you (and other staff members in your firm) would prefer to receive this newsletter by email, or if contact details are incorrect please contact Niall O'Sullivan, Head of Fund Development, at The Foundation on 01 874 7354 or nosullivan@foundation.ie.

If you would prefer not to receive further "Philanthropy Matters Advisor Updates", please contact us and we will amend our mailing list accordingly.

Why Clients Should Consider The Community Foundation in their Will

How many of your clients have adult children who no longer live in their home county? Chances are the answer is nearly all, especially clients of practices outside Dublin. By leaving all of or almost all one's assets to your children, this results in 'capital flight' from your client's home county. Why not suggest to clients that they leave a percentage to their local County Fund at The Community Foundation and ensure that much needed local supports and community initiatives are better funded in the future (suggested wording below). A similar initiative in Michigan has met with huge support from local solicitors and is helping ensure a better future for Michigan. For more information, contact Niall O'Sullivan, Head of Fund Development on 874 7354 or by Email: nosullivan@foundation.ie

General Wording

"I hereby give and bequeath € _____ to The Community Foundation for Ireland for The County _____ (name of county) Fund at The Community Foundation for Ireland to meet future community needs in County _____ (name of county) and I direct that the receipt of the treasurer or other proper officer of the said Community Foundation for Ireland shall be a sufficient discharge to my executors for payment of this legacy."

Or,

"I hereby give, devise and bequeath (the residue) (_____ % of the residue) of my estate to The Community Foundation for Ireland to be used for The County _____ (name of county) Fund at The Community Foundation for Ireland to meet future community needs in County _____ (name of county) and I direct that the receipt of the treasurer or other proper officer of the said Community Foundation for Ireland shall be a sufficient discharge to my executors for payment of this legacy."



philanthropy matters advisor update

Philanthropy Ireland Professional Advisor Event

Philanthropy Ireland is running an event for Professional Advisors in association with STEP Ireland (Society of Trust and Estate Planning) on 19th November, 8:30am, Conrad Hotel.

Speakers will include Martin Brookes, CEO of New Philanthropy Capital; Mark Evans, Head of Family Business & Philanthropy at Coutts Bank; and Paraic Madigan, Partner at Matheson Ormsby Prentice and former Chairman of STEP Ireland. It is intended that new Philanthropy Ireland guidance on setting up a foundation will also be launched at the conference. For more information, please contact Jordan Campbell, Tel: 01 670 8939 or Email: jcampbell@philanthropy.ie



ITC Group Joins Business In The Community Ireland

In September 2008, The ITC Group joined Business In The Community Ireland (BITCI).

BITCI is a sister organisation of The Community Foundation for Ireland. The ITC Group is a financial services group of companies, comprising principally Independent Trustee Company which provides a complete service for self-administered pension schemes, the tax and legal consultancy company Astons, and Financial Engineering, a financial advisory business.

BITCI is a non-profit organisation specialising in advice and guidance to leading companies in Ireland on corporate responsibility and corporate community involvement. A business driven network, with major social initiatives, its membership is drawn from Ireland's most progressive companies. 55 of Ireland's leading companies are now lead members.

Speaking at the announcement, Mr Aidan McLoughlin, ITC Group Director said "As an organisation we have become increasingly aware of the need, and indeed our employees' desire, to become involved in our community and so are delighted to become part of BITCI. We look forward to many years of fruitful co-operation in advancing our own corporate responsibility programme."

For more details see: www.bitci.ie

Tax Efficient Donations of Assets

Many advisors and fundraising practitioners are unaware that gifts of assets can be donated in a tax efficient manner for charitable purposes. When you sell an asset, you are normally liable for Capital Gains Tax (CGT), which is applied on the profit that you have made on the asset. If you donate this asset to charity or to a philanthropic organisation such as The Community Foundation for Ireland, you are treated as if you did not make a profit or loss on the transfer of the asset.

As long as the proceeds are used for charitable purposes, the recipient charity will not have to pay either CGT when it sells the asset, or any form of Capital Acquisition Tax (i.e. Gift Tax) on the original gift of the asset. "People tend to think about philanthropy at key points in their lives, when they have reached a certain age, after the death of a

loved one, as a mechanism to create a focus for one's family. The sale of an asset can often be a trigger as it is an ideal time for clients, who having freed up their assets, could establish their own philanthropic vehicle such as a Donor Advised Fund. It is a particularly good time to set up a permanent fund as a larger capital sum is required" says Tina Roche, Chief Executive at The Community Foundation.

Example:

Anna bought 20 acres of investment land in 1991 for €25,000. The land is now worth €300,000. She donates it to The Community Foundation for Ireland to establish her donor advised family fund. Anna is not liable for CGT in this instance, and The Community Foundation will not be liable for Gift Inheritance Tax. If The Foundation subsequently sells the asset and uses the gift for charitable purposes, no CGT will be payable.

Source: Philanthropy Ireland, Guide to Giving, Tax Efficient Philanthropy, Sept 2007

Pre-Budget Submission

In this year's pre-budget submission The Community Foundation for Ireland is again asking the Minister for Finance to remove the cap on tax relief for charitable donations. If you agree, and in particular if you have examples where the cap has resulted in a client either deferring a donation or reducing their planned level of giving then please contact us. Having real life case studies will help us further strengthen the case for removing the cap on tax relief. We are also calling for specific supports to help develop community philanthropy in Ireland. To see our submission log on to: www.foundation.ie/news