



## CAN I RESTRICT THE ACTIVITIES OF FUTURE FOUNDATION MANAGERS?

Yes. If you want to limit the ability of future foundation managers to change your foundation's focus, you can restrict the foundation's charitable purposes in its organizational documents and restrict the power of future foundation managers to amend those purposes. You can also impose legally binding restrictions on the foundation's use of your contributions at the time you make your gifts.

If you intend to benefit a particular public charity or charities, then you might want to consider creating a supporting organization instead of a private foundation. A supporting organization is organized and operated exclusively to benefit certain identified public charities. It is itself classified as a public charity (rather than as a private foundation) because of its relationship with and responsiveness to the public charities it was created to support. However, a supporting organization cannot be controlled, directly or indirectly, by the persons who create and fund it or their family members. Since a supporting organization is a public charity, contributions you make to it qualify for more favorable treatment under the income tax charitable deduction rules. In addition, most of the so-called "excise tax" rules (discussed below), which are applicable to private foundations, do not apply to supporting organizations. However, the organizational and operational requirements for a supporting organization can be as or more cumbersome to deal with, and certain excise tax rules applicable to supporting organizations are actually more restrictive, than the private foundation excise tax rules.