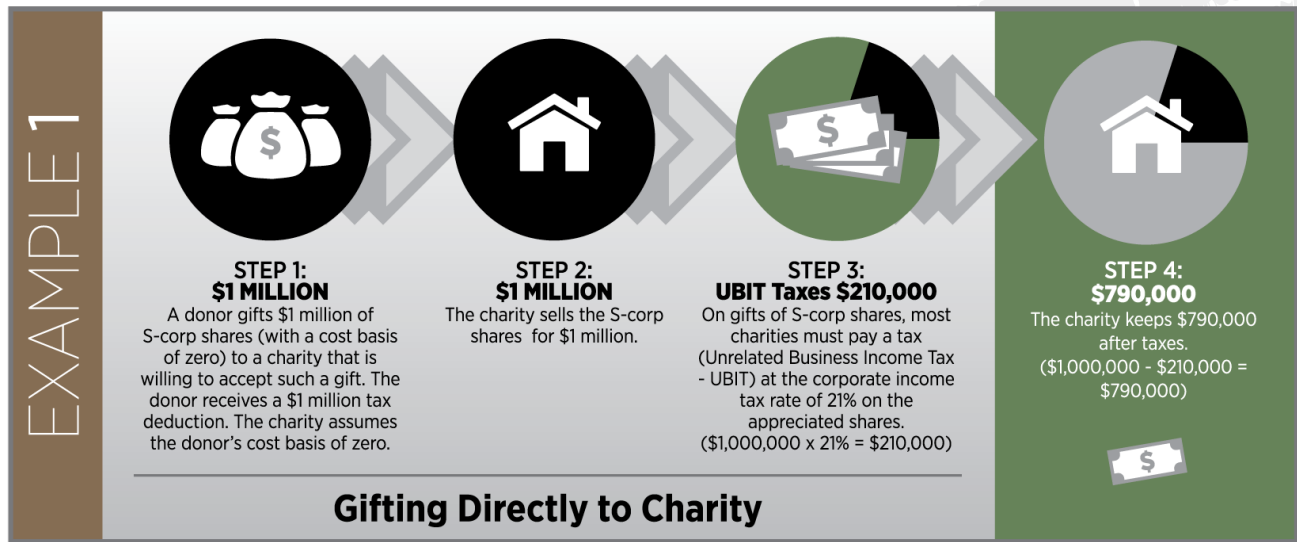




Unlocking the Wealth in S-Corp Shares

It is estimated that there are nearly 4.5 million individual businesses that are structured as S-corps, with an estimated value of nearly \$3 trillion in assets. However, due to the nature of S-corp structure, the value of these assets are in an illiquid form. When a business owner is ready to exit their business, the ability to unlock the trapped wealth within these closely held shares presents an opportunity for the business owner to build a tax-smart charitable legacy. A donor advised fund(DAF) paves the way to that legacy.

An illustration of how a donor could gift S-corp shares to a charity is illustrated below:



Avoiding the fact that some charities may not have the capability nor desire to accept S-corp shares, there is a way that the donor could make a donation of these closely held shares that is tax-smart and allows more money available for charitable gifts.

