

# 5 Client Scenarios Where a DAF Makes Sense

As a financial advisor, knowing when to introduce a donor-advised fund (DAF) can elevate your client relationships and enhance their tax strategy.

Here are the most common situations when a DAF is the perfect fit:

1

## Rebalancing a portfolio

Offload appreciated stock into a DAF for tax-efficient giving while supporting the causes your client cares about.

2

## Managing concentrated positions

Got a client with a concentrated stock position? Recommend donating a portion to a DAF—maximizing tax benefits and diversifying their holdings at the same time.

3

## Windfall or high-income year

Whether from a bonus, stock options, or a liquidity event, a DAF offsets the tax burden while allowing your client to donate strategically over time.

4

## Sale of a business

Clients selling a business? Have them set up a DAF before the sale to reduce capital gains taxes and lock in charitable benefits.

5

## Estate planning

A DAF ensures your client's legacy by involving the next generation in philanthropy while offering flexibility to give to multiple charities.



### Why DAFs?

Tax-smart, flexible, and impactful—DAFs help your clients give with purpose while planning for their financial future. Make sure to keep DAFs in your toolkit for these scenarios and many more!



### Contact us

Reach out at [askanexpert@reninc.com](mailto:askanexpert@reninc.com) and discover how Ren can help you deliver the philanthropic solutions your clients need.