



Using a Credit Card for Convenient Charitable Giving at Year End

Donors continue to seek online tools to maximize their giving. National Philanthropic Trust's (NPT) donor portal provides many ways for donors to manage their donor-advised fund (DAF) account online.

One year ago, NPT launched the option for donors to make credit card contributions to their DAFs via the portal. Contributing to a DAF with a credit card is especially convenient at the end of the year when donors wish to make a tax-deductible gift before the December 31st deadline.

NPT's Vice President of Technology Christopher Adams explains how the process works and when you might want to take advantage of this giving option:

Q: When did NPT begin offering donors the option to contribute to their DAFs by credit card?

A: As online giving has increased and become an industry standard, NPT introduced this option during the 2018 Giving Season to provide donors with another way to make a contribution. We also reduced the additional contribution minimum from \$5,000 to just \$1,000 for credit card gifts.

Q: Why would donors want to make a credit card contribution?

A: It's a great option for anyone looking for an efficient, online way to add funds to a DAF. Your contribution is processed immediately. The funds are invested according to your allocation strategy and are available the same day for grantmaking. A gift receipt is emailed directly to the donor at the time of the contribution.

Q: Where can donors go to make credit card contributions?

A: Once logged in to the NPT donor portal, donors can contribute with a credit card from the Contributions page. Look for the blue button with the words "Contribute with Credit Card," then follow the prompts. Donors will repeat this process each time they make a credit card contribution, as NPT values your security and will not store your credit card information.

Q: What do donors need to know about fees?

A: A credit card processing fee of 4 percent is charged at the time of the contribution. Donors who make a contribution to their existing DAF account of \$1,000, for instance, would receive a \$1,000 charitable gift tax receipt. However, after the 4 percent processing fee, \$960 would be added to the DAF balance —which would be immediately available to grant to charities.

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