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## Hearing Set for May 6, 2024 on Donor Advised Funds Regulations

Last week, the Internal Revenue Service and Department of Treasury **announced** a public hearing on **proposed regulations** regarding excise taxes on taxable distributions made by a sponsoring organization of donor-advised funds (“DAFs”). The public hearing is scheduled for May 6, 2024, at IRS offices in Washington, D.C., though there is an option to testify and attend virtually.

The hearing comes follows the long-awaited publication of proposed regulations under Internal Revenue Code Section 4966, which defines “donor-advised fund” and imposes excise taxes on certain prohibited distributions. The proposed regulations came over 17 years after Section 4966 was enacted as part of the Pension Protection Act of 2006, and raises many new questions including (among others) the potential impact of the proposed regulations on DAF **investments and investment advisors**, and on **fiscal sponsorship**.

In response to the proposed regulations, dozens of charitable institutions, trade groups, companies, law firms, and others have **provided comments** to IRS and Treasury. The hearing will provide an additional opportunity for input to help shape the final regulations.

### RELATED CATEGORIES

- Donor-Advised Funds
- IRS

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Nonprofit Law Matters looks at legal issues in the nonprofit and tax-exempt organizations world. Written by the attorneys and paralegals of Adler & Colvin, it provides updates and analysis regarding philanthropy, charity, and other exempt organization issues.

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