

7/7/2023

Hard Credit Reference for Gift Processing

PURPOSE

This document may be used to determine the legal donor, or ‘hard credit’ based on the gift source. Other individuals associated with the gift should be soft credited as appropriate.

Financial Instrument	Definition	Legal Donor
Charitable Lead Annuity Trust	“An irrevocable trust designed to provide financial support to one or more charities for a period of time, with the remaining assets eventually going to family members or other beneficiaries”	Trust
Charitable Remainder Trust	A gift of cash or other property to an irrevocable trust. The donor receives an income stream from the trust for a term of years or for life and the named charity receives the remaining trust assets at the end of the trust term.	Trust
Checking account with two names	Two individuals share a single checking account.	The legal donor is the person who signed the check, when the signer is named on the account.
Company Check	An individual pays with a company check.	Company

Financial Instrument	Definition	Legal Donor
Company Credit Card	An individual pays with a company credit card in their name, or in another employee's name.	Company
Consignment/Consignor	An entity is hired to liquidate assets/objects, and then pass on the donation in the form of cash. The entity that converts the objects into cash is acting as a fiscal agent.	Estate, or individual
Declaration of Trust , or Dated Trust	A document or statement appointing trustees, and defines assets held within the trust, and may include how/when the beneficiaries receive distributions.	Trust. Specifically: a unique trust record named as it appears on the check.
Donor Advised Fund (DAF) *One way DAF gifts can be distinguished from gifts given via a fiscal agent is that they include language stating a tax receipt should not be issued to the individual.	A fund or account containing contributions from individual donors that is maintained and operated by a sponsoring organization. The sponsoring organization has legal control over the funds once they are contributed by the donor, who advises distribution of the funds.	Financial Institution
Estate		Estate, with Soft Credit given to the deceased individual.
Fiscal Agent	Financial institutions performing fiscal services such as transferring money on behalf of a donor. The Fiscal Agent Does not receive hard credit or soft credit.	Individual
Foundation (Private , Family , Corporate , Community)		Foundation
Fundraising Consortia	These are organizations such as the United Way. They issue the check and offer documentation	Fundraising Consortia Agency, with Soft Credit given to the individual or company.

Financial Instrument	Definition	Legal Donor
	on the appropriate constituent distribution. ¹	
IRA ²	“An IRA is an account set up at a financial institution that allows an individual to save for retirement with tax-free growth or on a tax-deferred basis.”	Individual
Irrevocable Trust	Cannot be modified or canceled after creation.	Trust
Life Insurance Trust (Irrevocable Life Insurance Trust.)	Irrevocable trust funded with a life insurance policy and designed to exclude life insurance proceeds from the taxable estate while providing liquidity to the estate and/or the trust's beneficiaries	Trust
Living Trust	Another term for Revocable Trust.	Individual
Pooled Contributions	An individual (non staff) collects money from a group, and then gives the money to us in a lump sum.	The legal donor is the person collecting and then giving the money. The lump sum is recorded as a single gift. The contributors may be soft credited for their respective portions.
Revocable Trust	Can be amended or revoked over time. Becomes irrevocable upon death. “A revocable living trust is the most common type of living trust . Usually when people talk about a living trust, they mean a revocable living trust.”	Individual
Trust	“A trust is a fiduciary arrangement that allows a third	Trust

¹ AASP Best Practices: [Applying Recognition Soft Credits](#), p 8.

² IRS FAQs -[Distributions \(Withdrawals\)](#)

Financial Instrument	Definition	Legal Donor
	party, or trustee, to hold assets on behalf of a beneficiary or beneficiaries. Trusts can be arranged in many ways and can specify exactly how and when the assets pass to the beneficiaries”	