

## WHAT YOU CAN DO WITH YOUR "SELF-SUPPORTED FOUNDATION"

Many people have asked, "Is there a list of things one's "Self-Supported Foundation" (SSF), can do that might help us ascertain the value of having our own SSF? Here is a reply regarding an un-incorporated, organized church/Foundation as the "*otherwise*" described in Title 26 USC (IRS Code).

1. **Operate in complete privacy.** Since the SSF is not incorporated, it is on the *private side*, a lawful entity that is the "exception" rather than being "a statutory privilege" it is exempt from regulation regarding entities controlled by the government. Therefore, you operate in complete privacy.
2. **Receive lawful protection from many taxes.** There are numerous tax benefits for directors of charitable foundations.
3. **Remove assets from other taxation.** All gifts (donations), to your SSF are removed from Estate, Gift and Capital Gains tax exposure.
4. **Receive donations or gifts of all kinds of assets.** Your SSF may accept donations of all kinds of assets. (Real property, vehicles, boats, planes, clothing, furniture, money, etc.)
5. **Receive funds from deferred gifts.** Your SSF may receive donations from wills, trusts, life insurance or any other gift.
6. **Immune from liability of lawsuits.** By placing all of your assets into SSF(s), attorneys will have a hard time trying to collect any judgments against you personally. (If they can collect anything at all.)
7. **May Reduce your personal tax liability.<sup>1</sup>** By placing your earnings into your SSF, your own personal tax liability may be reduced.
8. **Reduce your business' tax liability.** By making the SSF the lawful owner of some of the stock or ownership in an existing business, your business's tax liability may decrease.
9. **Open bank accounts all over the world.** There is no need to have an "off-shore" trust or corporation since a SSF is allowed to exist all over the globe. It's international. However, one may have to physically open the account in another country and give the bank a local address for your SSF.
10. **Gifting to other Countries.** U.S. Taxpayers may be able to deduct gifts to overseas charitable projects if they do so through another charitable entity such as the SSF.
11. **Personal compensation for the work you do.** A SSF is allowed to provide for the payment of anyone that works for it. This can be done by using the "Workers Contract" provided. Since FRNs (Federal Reserve Notes) are used as "compensation" (exchange), the transaction should not be a taxable event according to United States Codes. FRNs are "Obligations of the United States". "Obligations" are not taxable, unless you or your entity is a corporation or *public* organization.
12. **Allow your SSF to make the payment for all its expenses.** All expenses that are required for the operation, maintenance and protection of the SSF assets are allowed. (Remember, you are working for God now.)

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<sup>1</sup> Title 26 USC section 6033(a)(3)(A)(i), the church/Foundation is a religious order and therefore has complete immunity to disclosure, unless fraud is involved. It is not required for the church/Foundation to maintain records of any kind unless for its own purposes and reasons.

13. **Bank accounts are private.** The checking account set up for the SSF may not be required to have any social security number associated with it. However, the bank may want to check your own social security for personal identification only. Every bank should open up an account without having any "DBA" associated with it. Remember, the SSF is not a business in the commercial world.
14. **You are in control.** Since there is no "trustee" or "office of the president" involved in the SSF, you can be directly involved with all of the legal transactions regarding the SSF.
15. **No ending date for the SSF.** The SSF is perpetual. There is no ending date for any reporting because there is nothing to report.
16. **Not taxable.** The SSF is not required to file ANY tax return.
17. **Non-political.** The SSF is not political in any manner even though it may be "created" by contract somewhere in the united states of America, not Washington D.C., the UNITED STATES or its Territories. However, the SSF may write or verbally "report" to others regarding the truth or opinion of any matter going on world-wide.
18. **May be funded or supported by other businesses.** Since the SSF is just that - a SELF-SUPPORTED Foundation - to survive, it *must* be supported/financed by activities that make a profit. This may be done by having some or all of your "supporting business" profits go directly into the account of the SSF. In fact, the SSF itself can, and should have activities that support itself. Remember, the SSF is *SELF-SUPPORTED!*
19. **Not regulated by the Government like corporations.** Remember the Amish? They can build what they want on their property without "code enforcement" from the government. They do not need licenses to operate. They are left alone by the government. The SSF should be operated just like they operate their "work". If they can do "it", then the SSF can do "it".
20. **Your self-esteem.** Your light should shine among men so that they might see what you do. If everyone who calls himself a Christian would have his own SSF, there would be a lot more money for the Church (God's people). Now you are actually working for God, rather than for "men". This will have a great effect on one's attitude. After all, Christ said "Carry your OWN cross". We should not to let someone else carry it. Now you're "giving" is not just a tenth. It is now EVERYTHING that you have, own, and will do. (Get the picture?)
21. **Your ability to influence your children.** Many who have a SSF enjoy the opportunity to impact their families by "leading by example" not only in The Home, but also in their church and community. You can now add "significance" to your lifetime of work.
22. **Other considerations.** Perhaps the worst things for an older person to have are assets. Many older people have had all of their hard earned assets levied on and actually had them taken (stolen) by the government by being admitted to a health care facility. If one is wealthy, the wealth can actually be "used up" quite fast and nothing will be left for their heirs. By timely donating their assets, *ahead of time*, into a SSF, they may now be covered by federal and/or state coverage. (Medicare/Medicaid) If they are in need of anything, the SSF can take care of them. The SSF can be managed by the Directors until their designated successor takes over. Remember, the SSF does not die. It "lives" in perpetuity.

## **SSF COMPARED TO COMMON-LAW TRUST**

Financial planning is concerned with many aspects of our lives. The Kennedys, LBJs, Senators, Congressmen, attorneys, judges, etc., have traditionally used tactics of sophisticated planners is to employ such things as the "Common-Law Trust". We have stopped using common-law trusts for several reasons:

- 1) A common-law trust is managed by someone with a fiduciary responsibility to the beneficiaries of that trust who has access to the assets of the trust.
- 2) The trustee is required to administer those assets on behalf of the beneficiaries.
- 3) The assets of a common-law trust are not insulated from the personal actions of the trustee outside the duties required by the trust.
- 4) Should litigation occur because of the misdeeds or accidents of said trustee, and if a judgment is issued against the trustee, all assets inside that trust are then attachable for those misdeeds.
- 5) The beneficiary, then, suffers financial harm because of the actions of the trustee.
- 6) This is not possible with a self supported foundation when properly structured.
- 7) Once the foundation is organized, the assets to be assigned to that foundation are actually sold for consideration, or donated to that foundation.
- 8) The organizer of the foundation serves as Executive Director, Managing Director, or appoints others to serve those functions.
- 9) In other words, a "people" (understood to include the singular, as well is the plural) no longer has any incidents of ownership in any of the assets donated or sold to the foundation.
- 10) Any the misdeeds or accidents of the directors of the foundation did not taint the assets of that foundation.
- 11) One foundation is recommended for each asset or set of assets in order to insulate the remaining assets of the former estate from judgment which may result from the actions of a manager.
- 12) The managers of the foundation have the fiduciary obligation to maintain the assets of that foundation.
- 13) Any expenses incurred in the management, oversight and maintenance of said assets are 100% reimbursable.
- 14) Reimbursements are not taxable events.

- 15) The foundation is outside the scope and oversight of any federal, state or local government, or any agency thereof, there are no fees applicable to any properly structured foundation.
- 16) There is no need for an attorney, or the fees due for any work they would have performed.
- 17) The foundation is entitled to an employer identification number (EIN), FOR BANKING PURPOSES ONLY, and the EIN and can be used to open said bank accounts and receive a debit card for foundation functions.