

Nonprofit vs Mutual Aid Fundraising & Community Support



Considerations	Nonprofit	Mutual Aid
<p>Who is fundraising</p>	<p>Funds are collected into an organization account. They are tax deductible for the donor.</p> <p>There are many platforms available to nonprofits for fundraising. You and your team can decide on the best tools for your fundraising.</p>	<p>Funds are raised and collected by an individual. These contributions are considered gifts to that individual are not taxable income to the individual if they are less than \$19,000 per person. They are also not tax deductible for donors.</p> <p>Additionally, the individual fundraiser’s social security number, and bank information is often required to set up mutual fund raisers.</p>
<p>Fundraising Parameters</p>	<p>Defined community of support that is tied to mission</p>	<p>Can be for any purpose like: Supporting a specific family, collections on behalf of yourself.</p>
<p>Identifying Recipients of Support</p>	<p>Community application and eligibility verification selection process; it is intended to be in support of a specific community.</p> <p>For example: your organization might fundraise for rent for a neighborhood, and create a system for outreach.</p>	<p>This is decided by the person or group who is doing the fundraising.</p>

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How support to an individual is treated	If there is a demonstrated need for emergency financial support this is not taxable income to the recipient.	Considered a gift from the fundraiser to the person who is receiving the aid. As long as this is less than \$19,000 per person per household per calendar year this is not taxable income to the recipient.
Asset Ownership	All funds must be used for the benefit of the public. When you collect donation, be thoughtful about the language you use so it doesn't overly restrict use.	The fundraiser owns the funds collected, and is informally responsible to the group agreement of disbursing these funds.
Fund Disbursement	Nonprofits need to document and consistently apply a selection process. For example: ppna.org/renter-support-fund	Decisions about who the money goes to can be made by the individual or group collecting the funds.