

"Moreover, it is not only the enormously rich who create foundations today. Countless owners of substantial business enterprises are today planning to solve their estate problems through the use of foundations, and there is reason to believe that this tendency will continue and perhaps even increase. Ingenious experts in estate and tax planning have devised many interesting ways to use a foundation in an estate or business plan." -- House Report No. 2681 - 83rd Congress, 2nd Session, Page 11.

A-9 Most useful, provide non-income corporation fringe benefits to family-employees which reduces need for drawing taxable salary.

"Nonetheless, the modes of human satisfaction have almost infinite diversity; and the ways in which wealth can be employed for personal advantage are, consequently, multiple and highly varied. Many donors, too, have manifested a common and deep-seated tendency to regard a foundation which they have created as their own, to be availed of for their own ends where a contemplated use does not involve obvious and direct deflection of assets from charity and where no specific statutory prohibition lies in the way." Treasury Report, Page 54.

Foundations may provide health insurance for an employee-family member. IRC 105

A foundation employee may live rent free.

The Treasury department has this to say:

"The value of lodging furnished to an employee by an employer shall be excluded from the employee's gross income if three tests are met:

- 1) the lodging is furnished on the business premises of the employer.
- 2) the lodging is furnished for the convenience of the employer.
- 3) the employee is required to accept such lodging as a condition of employment." Regs. § 1.119-1(b)

"Not only may a creator draw benefits from his controlled foundation, but he may also draw benefits from a foundation owned or controlled business corporation. The corporation may be used to satisfy dominant individual's desires, ranging from furnishing his home to allowing excessive executive compensation." -- U.C.L.A. Law Review, May, 1966. Page 951

A-10 "Business corporations can accumulate income since former Shareholders may be employed at adequate salaries."