

## **A proposal for organizing the philanthropic foundations in Israel**

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This publication is one of the first and few to address the interfacing between the legal aspect and the third sector. The activities of the third sector's varying organizations take place within the legal framework determined by the State. This framework addresses the topics of corporation, taxation, regulation and such. Each of these delineates the third sector's scope and subordinates it to agreements that were determined by the State.

One of the third sector's important issues involves philanthropy which includes various tracks, one of which is philanthropic foundations. Many nations legislatively regulated the issues of fund raising and foundations. The goal of such regulations was to guarantee the existence of suitable mechanisms to develop resources to guarantee the activities of third sector organizations. These mechanisms also aimed to guarantee suitable public controls on the raising, distribution and use of funds.

In Israel, no such legislative agreement exists with regard to philanthropy. Recently, a public debate has commenced regarding various questions relating to philanthropic foundations; the Gal Nor Commission (2003) and the Aridor Commission (2006) recommended the development of a legislative arrangement for philanthropic foundations. Thus, within the framework of the multi-disciplinary discourse advanced by the Government, a decision was made to examine this topic and for this purpose, a team of experts was appointed.

This document presents the issue of foundations from a general perspective, examines the actions of various other nations and outlines a model for the legislative arrangement of philanthropic foundations in Israel, taking into consideration the local realities.