

IRS**News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 3/13/02****Release No: IR-2002-32****NEW IRS PUBLICATION HELPS CONTRIBUTORS,
CHARITIES WITH CLAIMS FOR TAX DEDUCTIONS**

WASHINGTON -- The Internal Revenue Service has issued a new publication to help taxpayers and charities understand the rules for documenting the charitable deductions claimed on federal tax returns.

Publication 1771, "Charitable Contributions - Substantiation and Disclosure Requirements," also explains new guidelines that allow charities to electronically mail documentation to donors. Tax-exempt organizations must provide receipts for donors' gifts before the donors can claim a charitable deduction. The use of e-mail can speed this process and help charities provide better service to their contributors.

"While most of these substantiation and disclosure rules have been in place for a number of years, this is the first time we have compiled them into an easy-to-use, easy-to-read format," said Steven T. Miller, director of the IRS's Exempt Organizations Division. "It's part of our on-going effort to provide the exempt organizations community and the public with the specialized information they need to understand and meet their tax responsibilities."

Publication 1771 outlines when an acknowledgement from the charitable organization is required so donors can claim a charitable tax deduction. It provides examples of receipts that will satisfy the requirement. Individuals can deduct gifts to charities only if they itemize deductions on Schedule A on Form 1040.

The publication also explains that charitable organizations must provide written disclosures to donors who receive goods or services in exchange for contributions, such as the value of a meal at a charitable fund-raising banquet. Organizations that do not provide a written disclosure are subject to penalty.

An advance copy of Publication 1771 is available on the IRS Web site, www.irs.gov. Paper copies can be ordered by calling the IRS Exempt Organizations Customer Account Services toll-free number, (877) 829-5500.

X X X