

Sample article for organizations to use to reach customers

Customize and post the following article on your websites and/or use in other communication vehicles, to inform your customers about the tax benefits of making charitable contributions.

Charitable contributions may help lower your tax bill

Charitable contributions made to qualified organizations may help lower your tax bill. The IRS offers the following tips to help ensure your contributions pay off on your tax return.

- You must give to a qualified organization to have a legitimate tax deduction. Here's how to check whether an organization is qualified to receive deductible charitable contributions:
 - Ask a representative from the charitable organization,
 - Visit www.irs.gov/charities to search for organizations that are eligible to receive deductible charitable contributions or
 - Call IRS 1-877-829-5500 (For TTY/TDD help, call 1-800-829-4059)
 - You must file Form 1040, Individual Income Tax Return, and itemize your deductions on Schedule A.
 - You can't take a deduction for contributions made to specific individuals, political organizations or candidates, or most foreign organizations.
 - If you receive a benefit because of your contribution such as merchandise, tickets to a ball game, dinner or other goods and services, you can deduct only the amount that exceeds the fair market value of the benefit received.
 - Donations of stock or other non-cash property are usually valued at the fair market value of the property. Clothing and household items must generally be in good used condition or better to be deductible. Special rules apply to vehicle donations.
 - Fair market value is generally the price at which property would change hands between a willing buyer and a willing seller, neither having to buy or sell, and both having reasonable knowledge of all the relevant facts.
 - Regardless of the amount, to deduct a contribution of cash, check or other monetary gift, taxpayers must maintain a bank record, payroll deduction records or a written communication from the organization containing the name of the organization, the date of the contribution and amount of the contribution. For text message donations, a telephone bill will meet the recordkeeping requirement if it shows the name of the receiving organization, the date of the contribution, and the amount given.
 - To claim a deduction for contributions of cash or property equaling \$250 or more, you must have a written acknowledgment from the qualified organization or certain payroll deduction records. The acknowledgment must be written and include the amount contributed - or a description of the property contributed - and whether the organization provided any goods or services in exchange for the gift. If you received any goods or services, the acknowledgment must provide a description and good faith estimate of the value. The acknowledgment should state that the only benefit you received was an intangible religious benefit, if that was the case.
 - If the total deduction for all noncash contributions for the year is more than \$500, taxpayers must complete and attach IRS [Form 8283, Noncash Charitable Contributions](#), to their return.
 - Taxpayers donating an item or a group of similar items valued at more than \$5,000 must also complete Section B of Form 8283, which generally requires an appraisal by a qualified appraiser.
 - Other records may be required. Consult [Publication 526, Charitable Contributions](#), for details.
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NOTE TO EDITOR: *Below are links to www.irs.gov for more information about charitable contributions.*

Links:

- [Search for Charities](#) or download Publication 78, Cumulative List of Organizations

Resources:

- [Publication 526, Charitable Contributions](#)
- [Publication 561, Determining the Value of Donated Property](#)
- [Form 1040, U.S. Individual Income Tax Return](#)
- [Schedule A, Itemized Deductions](#)
- [Form 8283, Noncash Charitable Contributions](#)
- [Tax Topic 506 - Charitable Contributions](#)

IRS YouTube

- [Fair Market Value of Charitable Donations?](#)
- [Charitable Contributions](#)