

Instructions for Form 8283

(Revised October 1985)

Noncash Charitable Contributions

(Section references are to the Internal Revenue Code, unless otherwise noted.)

General Instructions

Paperwork Reduction Act Notice.—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Purpose of Form

You must attach Form 8283 to your return if you claim a deduction for a charitable contribution of property other than cash if the total claimed value of all property contributed exceeds \$500. Depending on the value and type of property, you may need to complete Section A, Section B, or both.

Who Must File

- Individuals.
- Closely held corporations.
- Personal service corporations.
- Partnerships.
- S corporations.

When to File

File this form with your tax return for the tax year in which you contributed the property and first deducted it on your return.

Specific Instructions

Identification Number.—Individuals must enter their social security number; all others should enter their employer identification number.

Section A

If you are required to file Form 8283, as explained under **Purpose of Form**, complete Section A for contributions of property with a claimed value of \$5,000 or less, or publicly traded securities. If the value of any item, or group of similar items (other than publicly traded securities), is more than \$5,000, complete only Section B for that item(s). Contributions of publicly traded securities should be reported in Section A only.

Partnerships and S corporations.—A partnership (S corporation) that makes contributions of property with a claimed fair market value over \$500 must file Form 8283 with its tax return. However, it does not have to provide a copy of this form to the partners (shareholders) unless the fair market value of any item or group of similar items exceeds \$5,000. For contributions of property over \$5,000, see the **Note** under **Section B** for additional information.

Partners and Shareholders.—The partnership (S corporation) must provide you with additional information with your

Schedule K-1 (Form 1065 or Form 1120S) showing your share of the fair market value of contributed property. Combine this amount with any noncash contributions which you made to see if you must file Form 8283.

You do not have to provide all the information requested in Section A for your share of the partnership (S corporation) contributions not in excess of \$5,000. Do not complete line 1, columns (a)-(f) and (h). Instead, write "From Schedule K-1 (Form 1065 or Form 1120S)" across columns (c)-(f). You must enter your share of the claimed fair market value on line 1, column (g).

Part I, Information on Donated Property

Line 1, column (a).—Enter the name and address of the donee organization to which the property was contributed.

Line 1, column (b).—Describe the property in reasonably sufficient detail. The greater the value of the property the more detail is needed, for example, a car should be described in greater detail than a contribution of pots and pans to a donee organization.

For securities, the description should include:

- name of the issuer;
- kind of security; and
- whether or not the security is regularly traded on a stock exchange or in an over-the-counter market.

Line 1, column (d).—Enter the approximate date you acquired the property. If the property was created, produced, or manufactured by or for you, enter the date the property was substantially completed.

Line 1, column (e).—State how you acquired the property, i.e. by purchase, gift, inheritance, or exchange.

Line 1, column (f).—Complete this column, cost or adjusted basis, for all property except:

- Publicly traded securities; or
- Property held six months or more for which the information is not available.

If you do not have to complete column (f), be sure to keep your records regarding the property's cost or other basis.

Note: If you have reasonable cause for not providing the acquisition date in column (d) or the cost basis when required in column (f), attach an explanation.

Line 1, column (g).—Enter the fair market value of the property on the date you contributed it. The fair market value is the price a willing buyer would pay a willing seller when neither has to buy or sell and

both are aware of the conditions of the sale. If you donate property, other than certain publicly traded stock, with a fair market value that is more than your basis in it, you may have to reduce the fair market value by all or part of the increase in value when you figure your deduction. The amount of the reduction depends on whether the property is ordinary income property or capital gain property.

Property is ordinary income property if its sale on the date it was contributed would have resulted in ordinary income or in short-term capital gain. Examples of ordinary income property are inventory, works of art created by the donor, manuscripts prepared by the donor, and capital assets held for six months or less (one year or less if acquired before June 23, 1984). The deduction for a gift of ordinary income property is limited to the fair market value less the amount that would be ordinary income if the property were sold at its fair market value.

Capital gain property is property that would result in long-term capital gain if it were sold at its fair market value on the date of contribution. It includes certain real property and depreciable property used in your trade or business, and generally held for more than 6 months (one year for property acquired before June 23, 1984). You usually may deduct gifts of capital gain property at their fair market value. However, you must reduce the fair market value by 40% of the appreciation if: the capital gain property is contributed to certain private nonoperating foundations; you choose the 50% limit instead of the special 30% limit; or the contributed property is tangible personal property that is put to an unrelated use by the charity.

Attach a computation showing your reduction to the fair market value. For more information, get **Publication 526**, Charitable Contributions. If you contribute depreciable property, also get **Publication 544**, Sales and Other Dispositions of Assets.

If your donation qualifies as a "qualified conservation contribution" under section 170(h), attach a statement that shows the claimed fair market value of the underlying property before and after the gift and the conservation purpose furthered by the gift.

For additional information, see **Publication 526**.

Line 1, column (h).—Enter the method(s) you used to determine the fair market value of your donation. The fair market value of used household goods and clothing is usually much lower than the price paid when new. For this reason, standard formulas or methods to value this kind of property are generally not appropriate. A good measure of value for this kind of property might be the price that buyers of these used items actually pay in consignment or thrift shops.

If household items are valuable because of their age or uniqueness or for clothing such as furs or very expensive gowns, a written appraisal from a qualified and reputable source might be appropriate.

Other items which lend themselves to appraisals are jewelry and gems (other than "costume" jewelry), paintings, antiques, and real estate.

For hobby collections, indicators of fair market value are trade publications, catalogs, dealers' price lists, and specialized hobby periodicals. However, these sources are not always reliable. For example, a dealer may sell an item for much less than shown on a price list. If you are donating a valuable collection, you should get an appraisal.

For vehicles, certain commercial firms and trade organizations publish dealer sales prices or dealer-average prices. These prices are not "official" and are not considered an appraisal. However, they do provide a suggested price for comparison with current sales and offerings in your area.

Examples of entries to make in this column include:

- "Appraisal."
- "Thrift Shop Value" (for clothing or household goods).
- "Catalog" (for stamp or coin collections, etc.).
- "Comparable Sales" (for real estate and other kinds of assets).

See **Publication 561**, Determining the Value of Donated Property, for more information on methods of valuing different kinds of property.

Part II, Other Information

Attach a separate statement if there is more than one property to which Part II applies. Give the information which the form requires for each property separately.

Line 2.—Complete lines 2(a)–2(d) only if you contributed less than the entire interest in the donated property during the tax year. Enter on line 2(a) the amount claimed as a deduction for this year and in any earlier tax years for gifts of a partial interest in the same property. If the organization that received the prior interest in the property is the same as the one listed on line 1 column (a), you do not have to complete line 2(b). Enter the name and address of the organization only if it is different from the one entered in Part I.

If the donated property is tangible property, state on line 2(c) where it is located. If any person other than the donee organization has possession of the donated property, include the name of the person on line 2(d).

Line 3.—Complete lines 3(a)–3(c) only if you attached restrictions to the right to the income, use, or disposition of the donated property. Check the appropriate "yes/no" block. Attach a statement explaining:

- The terms of any agreement or understanding that relates to the income, use, sale, or other disposition of the property; and
- Whether the property is designated for a particular use; e.g., the use of donated furniture in the reading room of the organization's library.

Section B

Complete only Section B for an item of property (or group of similar items) whose total claimed value exceeds \$5,000. An exception to this rule is publicly traded securities, which should be reported in Section A only. Also report only in Section A any other item(s) of property with a claimed value of \$5,000 or less.

Note: A partnership or S corporation must attach Form 8283, Section B, to its Form

1065 (or Form 1120S) if such charitable contributions allocated to all the partners (or shareholders) are greater than \$5,000 even though the amount allocated to each individual partner (or shareholder) is \$5,000 or less.

In addition, the partnership (or S corporation) must give a copy of Form 8283 to every partner (or shareholder) who receives an allocation of a deduction for the charitable contribution of property shown in Section B.

The partner (or shareholder) must attach the copy of Form 8283 to the partner's (or shareholder's) tax return.

Caution: Partners (or shareholders) should deduct the amount shown on Schedule K-1 (Form 1065 or Form 1120S), not the amount shown on Form 8283.

Failure to File Form 8283, Section B.—If you give property required to be reported in Section B and you fail to attach Form 8283 to your return, the deduction will not be allowed unless your failure was due to a good faith omission. If the IRS requests that you submit this form because you had not attached it to your return, you have 90 days to submit a completed Section B of Form 8283 before the charitable deduction is disallowed.

Part I, Donee Acknowledgement

The donee organization must complete Part I. Before submitting Form 8283 to the donee for acknowledgement, complete at least your name, identification number, and description of the donated property (line 2, column (a)). If tangible property is donated, you must also describe the physical condition of the property (line 3) at the time of the gift.

The person acknowledging the gift must be an official authorized to sign the tax returns of the organization, or a person specifically designated to sign Form 8283. After completing Part I, the organization must return Form 8283 to you, the donor. A copy of this form must be provided to the donee organization for its records. You may then complete any remaining information required in Part II. Also, Part III may be completed at this time by the qualified appraiser.

Note: If the donee organization sells, exchanges, transfers, or otherwise disposes of the property within two years after the date of the receipt of the contribution, the organization must file an information return on **Form 8282, Donee Information Return**, with the IRS and send a copy to the donor.

Part II, Information on Donated Property

The information provided in Part II must be based on a written appraisal by a qualified appraiser, unless the property donated is nonpublicly traded stock valued at \$10,000 or less. Use Part II to summarize your appraisal or appraisals. You do not need to attach the appraisals, but you should keep them for your records.

The appraisal must be made not earlier than 60 days before the date you contribute the property and must be received before the due date (including extensions) of the return on which the deduction is first claimed. For a deduction first claimed on an amended return, the appraisal must be received before the date the amended return was filed.

A separate qualified appraisal and a separate Form 8283 is required for each

item of property except for an item which is part of a group of similar items of property. Similar items of property are items of the same generic category or type, such as stamps, coins, lithographs, paintings, photographs, books, nonpublicly traded stock, land, or buildings. Only one qualified appraisal is required for a group of similar items of property contributed in the same tax year, provided the appraisal includes all the required information for each item.

The appraiser may select any items whose aggregate value is appraised at \$100 or less for which a group description rather than a specific description of each item will suffice.

If similar items of property are given to more than one donee and the total is more than \$5,000, a separate Form 8283 must be attached for each donee. For example, if you deduct \$2,000 for books given to College A, and \$2,500 for books given to College B, and \$900 for books given to a public library, you must attach a separate Form 8283 for each donee.

See Temporary regulations section 1.170A-13T(c)(3)(i)-(ii) for a definition of a qualified appraisal and for information to be included in the appraisal.

Line 2.—In column (a) describe the property in enough detail so that a person who is not familiar with the type of property could determine that the property appraised is the property that was contributed.

Include in column (e) the fair market value from the qualified appraisal. For nonpublicly traded stock for which a qualified appraisal was not required, include the fair market value you determine to be correct.

If you have reasonable cause for being unable to provide the information for columns (b), (c), and (d), attach an appropriate explanation to Form 8283 to prevent your deduction from being automatically disallowed.

Part III, Certification of Appraiser

You must have an appraiser complete Part III for any property for which an appraisal is required. This section **MUST** be completed in order for the individual to be considered a qualified appraiser. See Temporary regulations section 1.170A-13T(c)(5) for a definition of a qualified appraiser.

Persons who cannot be qualified appraisers are listed in the Certification of Appraiser (Part III) of Form 8283. Usually, a party to the transaction will not qualify to sign the certification. However, a person who sold, exchanged, or gave the property to the donor may sign the certification if the property is donated within two months of the date the donor acquired it, and the property's appraised value does not exceed its acquisition price.

An appraiser may not be considered qualified if the donor had knowledge of facts which would cause a reasonable person to expect the appraiser to falsely overstate the value of the donated property. An indication that this is true is an agreement between the donor and the appraiser concerning the amount at which the property will be valued and such amount exceeds the fair market value of the property.

Usually, appraisal fees cannot be based on a percentage of the appraised property value, unless the fees were paid to certain not-for-profit associations. See Temporary regulations section 1.170A-13T(c)(6)(ii) for the requirements which have to be met.