



OFFICE OF  
CHIEF COUNSEL

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
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The Honorable Robert Goodlatte  
Member, U.S. House of  
Representatives  
10 Franklin Road, SE  
Suite 540  
Roanoke, VA 24011

Attention:

Dear Congressman Goodlatte:

This letter responds to your inquiry dated November 15, 2011, on behalf of your constituent, . asked if contributions to her church's scholarship fund are tax-deductible if the donor suggests that the church use the contributions to pay for college tuition costs of the church minister's daughter.

An individual can take a deduction for a charitable contribution or gift to or for the use of a charitable organization, including a church [sections 170(a)(1) and 170(c) of the Internal Revenue Code (the Code)]. However, if a donor earmarks the contribution to a particular individual, the donor must treat it as being a gift to the designated individual and not as a tax-deductible contribution [see Revenue Ruling 62-113, 1962-2 C.B. 10, 11]. Various courts have ruled that contributions to a church fund for missionaries are not deductible if there is a commitment or understanding that the church will use the contributions only for a particular individual [see, for example, *Tripp v. Commissioner*, 337 F.2d 432 (7<sup>th</sup> Circ. 1964); *Peace v. Commissioner*, 43 T.C. 1 (1964).]

The law allows a deduction only if the church has full control of the donated funds and discretion as to their use [Rev. Rul. 62-113].

I hope this information is helpful in responding to \_\_\_\_\_ . Please contact me or  
of my staff at \_\_\_\_\_ if you have any questions.

Sincerely,

Thomas Moffitt  
Branch Chief, Branch 2  
Office of Associate Chief Counsel  
(Income Tax & Accounting)