

Substantiating Charitable Contributions

As we approach year-end, many of us may need to catch up on our charitable contributions for a number of reasons in addition to a tax break. So, let's briefly review the IRS rules on deducting charitable contributions. A donor will not be allowed any deduction for a contribution by cash or check, or any other monetary gift, regardless of the amount unless the donor retains either (1) a bank record that supports the donation or (2) a written receipt or communication from the charity showing the name of the organization, date, and amount of the contribution.

Property donations valued at less than \$250 must be substantiated by a written receipt or letter from the charitable organization showing the organization's name, the date and place of the contribution, and a detailed description of the property. Donors must also obtain a written acknowledgment from the charity if the value of the contribution (in cash or other property) is \$250 or more - a canceled check or other reliable records are not sufficient proof.

Please contact us if you have questions about substantiating charitable contributions.