

Important Tax Reminder

Start gathering any items necessary for the preparation of your tax returns, including charitable contribution receipts, stock transactions, business mileage records, medical expenses, moving expenses, unreimbursed business expenses, etc.

Donating to Charity



If you support certain causes throughout the year, your gift might be tax deductible and reduce any tax you owe. If you want to claim a tax deduction for your charitable donations, you must itemize your deductions. Also, the donations must meet certain requirements to qualify for a deduction.

Qualified charities. You can only deduct donations to qualified charities. Qualified charities meet exemption

requirements under the IRS Tax Code 501(c)(3). The non-profit organization is exempt from federal income tax if its activities have the following purposes: charitable, religious, educational, scientific, literary, testing for public safety, fostering amateur sports competition or preventing cruelty to children or animals.

Monetary donations. Gifts of money include those made in cash or by check, electronic funds transfer, credit card and payroll deduction. You must have a bank record or a written statement from the charity to deduct any gift of money on your tax return.

Household goods. Donated clothing and household items generally must be in at least good used condition to be claimed as a tax deduction. If you claim a deduction of over \$500 for an item, it doesn't have to meet this standard as long as you include a qualified appraisal of the item with your tax return.

Records required. You must get an additional acknowledgment from a charity for each deductible donation (either money or property) of \$250 or more. Additional rules apply to the statement for gifts of that amount. This statement is in addition to the records required for deducting cash gifts.

Did You Know?

There are more than 1.5 million non-profits in the U.S. More than 50% of them operate on less than \$100,000 annually. Many of these are local groups, such as Little League or the Boy Scouts.

Quote Corner

"It's not how much we give but how much love we put into giving."

~ Mother Teresa