

DOCUMENTATION OF CASH CHARITABLE CONTRIBUTIONS

By: BRIAN D. HANTSBARGER, CPA

Don't wait until the end of the year to ensure that you have the required support for your cash donations. The documentation needed depends on the amount of the donation and whether or not goods or services were received (note that non-cash donations have a different set of rules and are not considered below).

For a donation of any amount, if you receive goods or services, the amount you can deduct is the amount you pay in excess of the value of the goods or services. An example of this would be purchasing a basket at a charity auction. If the value of the basket is \$50 and you pay \$60, you can deduct \$10. For payments in excess of \$75, the qualified donee organization must give you a statement informing you that you can only deduct the amount in excess of the goods received as well as giving you a good faith estimate of the value of those goods and services. An example of this would be the fee to play golf in a charity tournament.

For every contribution of \$250 or more, the organization must give you a statement detailing the amount of your contribution and the value of any goods or services received (or a statement that no goods or services were received). You must receive this statement on or before the earlier of either the date you file your return for the year in which you make the contribution or the due date, including extensions, for filing the return.



If the documentation you have does not meet these guidelines or is not timely received, the IRS can disallow the deduction in its entirety.

If you have any questions about this or any other tax issue, please contact your Account Manager or [Brian Hantsbarger](mailto:brian.hantsbarger@connerash.com), Partner, Tax and Business Services, at (314) 205-2510 or via email at bhants@connerash.com