

SUBSTANTIATION GUIDE FOR COMMON CHARITABLE CONTRIBUTIONS

The following table describes the types of contemporaneous documentation required to substantiate various types of charitable contributions. Failing to maintain the proper documentation generally results in the donation being nondeductible.

TYPE OF DONATION	AMOUNT GIVEN IN A SINGLE DONATION			
	Less than \$250	\$250 to \$500	\$501 to \$5,000	Over \$5,000
Cash	Bank record or written receipt from charity.	Acknowledgment.	Acknowledgment.	Acknowledgment.
Payroll deduction	Paystub, W-2, or other written record from employer. Pledge card or acknowledgment from charity.	Paystub, W-2, or other written record from employer. Pledge card or acknowledgment from charity.	Paystub, W-2, or other written record from employer. Pledge card or acknowledgment from charity.	Paystub, W-2, or other written record from employer. Pledge card or acknowledgment from charity.
Volunteer out-of-pocket expenses	Receipt, canceled check, or other written records.	Receipt, canceled check, or other written records.	Receipt, canceled check, or other written records.	Receipt, canceled check, or other written records.
Publicly traded stock	Receipt. Written records.	Acknowledgment. Written records.	Acknowledgment. Written records. Form 8283, Section A.	Acknowledgment. Written records. Form 8283, Section A.
Nonpublicly traded stock	Receipt. Written records.	Acknowledgment. Written records.	Acknowledgment. Written records. Form 8283, Section A.	Acknowledgment. Written records. Qualified appraisal if FMV > \$10,000 (attach to return if FMV > \$500,000). Form 8283, Section B.
All other noncash donations from individuals a b	Receipt (unless impractical to obtain from done (e.g., items left at charity's unattended dropbox). Written records. c	Acknowledgment. Written records. c	Acknowledgment. Written records. Form 8283, Section A.	Acknowledgment. Written records. Qualified appraisal (attach to return if FMV > \$500,000 or any amount if a façade easement donation). Form 8283, Section B.

[a](#) Donations of clothing and household items must be in "good used condition or better" unless FMV is more than \$500 and a qualified appraisal is attached to the return.

[b](#) Multiple noncash items donated during a tax year must be combined to determine whether the \$5,000 threshold is met if the items are of the same generic category (e.g., stamps, coins, lithographs, paintings, books, nonpublicly traded stock, land, or buildings). This rule applies even if the items are not all donated to the same charity.

[c](#) Although IRS Pub. 526 indicates that written records must be kept in all cases, Reg. 1.170A-13(b)(1) states that for noncash donations of \$500 or less, taxpayers are required to maintain written records regarding the donated property only if they do not receive a receipt from the charity because it is impractical to do so.

Definition of terms:

Written Records. Taxpayers' records must include the following: (1) name and address of done organization, (2) date and location of the contribution, (3) description of the property, (4) FMV of the property (or cost, if taxpayer required to or elects to reduce FMV for appreciated property), (5) information related to contributions of partial interests in property, if applicable, and (6) terms of any conditions attached to the donation, if any [Reg. 1.170A-13(b)(2)(ii)]. If the donation is over \$500, written records must also include how and when the taxpayer acquired the property and the property's cost or basis. (However, basis information is not required for publicly traded securities or for property held 12 months or more.)

Acknowledgment. Written acknowledgment from the charity must include a description of the property or amount of cash donated plus a statement as to whether the donor received any goods or services (with a good faith estimate of value) in connection with the donation [Reg. 1.170A-13(f)].

- If the donor received intangible religious benefits, the acknowledgment must say so, although no valuation of such benefits is required.
- Taxpayers must receive the acknowledgment before the earlier of (1) the date the return for the year of the donation is filed or (2) the due date, including extensions, for filing the return.
- The acknowledgment can either be a paper copy or in electronic format, such as an email addressed to the donor (IRS Pub. 1771).
- A single written acknowledgment that satisfies all substantiation requirements under IRC Sec. 170(f)(8) and IRC Sec. 170(f)(17) is considered adequate substantiation for a contribution of cash, check, or monetary gift [Reg. 1.170A-15(a)(3)].
- A blank pledge card provided by the donee to the donor is not sufficient substantiation since it does not include all of the information required under IRC Sec. 170(f)(17).
- If the donation is for taxpayer's out-of-pocket expenses, the statement must describe the taxpayer's services and state whether the charity provided goods or services in consideration for out-of-pocket expenses.
- If the donor received something other than *de minimis* items (such as a calendar or key chain) in return for a donation of more than \$75, the charity must provide a statement informing the donor that the charitable deduction is limited to the excess of the contribution over the value of the goods or services provided by the charity (with a good faith estimate of the value of the goods or services provided).
- Under IRC Sec. 170(f)(8) , adequate contemporaneous acknowledgment must include the following:
 1. the name and address of the charity;
 2. the date of the contribution;
 3. the amount of cash contributed;
 4. a description (but *not* an estimate of value) of any property contributed;
 5. whether the charity provided the donor any goods or services in exchange for the contribution; and, if so,
 6. a description, and a good faith estimate of the value, of the goods or services provided by the charity or, if the only goods or services provided were intangible religious benefits, a statement to that effect.
- Form 8283 is not a contemporaneous written acknowledgment since it does not include all of the information required by IRC Sec. 170(f)(8)(B) [Preamble to TD 9836 (July 30, 2018)].

Contemporaneous. An acknowledgment is considered to be contemporaneous if the taxpayer receives it by the earlier of the date the tax return for the year of the contribution is filed, or the due date (including extensions) for filing such return [IRC Sec. 170(f)(8)(C)].

Pledge Card. A document prepared by or for the charity showing the charity's name. If \$250 or more is withheld each time, the pledge card must also state that the charity does not provide goods or services in return for any contribution made to it by payroll deduction [Reg. 1.170A-13(f)(11)].

Information was obtained and collected from a variety of public resources. We believe this information provided here is reliable, but do not warrant its accuracy or completeness. It is provided for informational purposes only, and should not be construed as legal or tax advice. Laws may change pursuant to the new administration's legislative agenda.

Always consult an attorney or tax professional regarding your specific legal or tax situation.

SUBSTANTIATION GUIDE FOR OTHER PROPERTY CONTRIBUTIONS

The following table describes the types of contemporaneous documentation required to substantiate various types of charitable contributions. Failing to maintain the proper documentation generally results in the donation being nondeductible.

TYPE OF DONATION	AMOUNT GIVEN IN A SINGLE DONATION			
	Less than \$250	\$250 to \$500	\$501 to \$5,000	Over \$5,000
Artwork	Receipt. Written records.	Receipt. Written records.	Acknowledgment. Written records. Form 8283, Section A.	Acknowledgment. Written records. Qualified appraisal (attach to return if FMV # \$20,000). Form 8283, Section B.
Autos, boats, and planes charity sells without significant use or material improvement	Receipt. Written records.	Form 1098-C or other acknowledgment. Written records	Form 1098-C (attached to tax return). Written records. Form 8283, Section A.	Form 1098-C (attached to tax return). Written records. Form 8283, Section B.
Autos, boats, and planes significant use or material improvement by charity or charity gives or sells at discounted price to a needy individual in a qualified transfer	Receipt. Written records.	Form 1098-C or other acknowledgment. Written records	Form 1098-C (attached to tax return). Written records. Form 8283, Section A.	Form 1098-C (attached to tax return). Written records. Qualified appraisal. Form 8283, Section B.
Patents and Other Intellectual Property donor's statement of intent upon contribution	Receipt. Written records.	Acknowledgment. Written records. Donor-provided statement to charity. a	Acknowledgment. Written records. Donor-provided statement to charity. a Donee's annual acknowledgment of income. b Form 8283, Section A.	Acknowledgment. Written records. Donor-provided statement to charity. a Donee's annual acknowledgment of income. b Form 8283, Section B.
Depreciable property donated by a C corporation for care of the ill, needy, or infants	showing charity's intent to comply with restrictions for donation. c	showing charity's intent to comply with restrictions for donation. c Written records.	showing charity's intent to comply with restrictions for donation. c Written records.	showing charity's intent to comply with restrictions for donation. c Written records. Form 8283, Section B. d

a The donor must provide to the charity a statement identifying (1) his or her name, address, and TIN; (2) a detailed description of the intellectual property; (3) the date of the contribution; and (4) the donor's intent to treat the contribution as a qualified intellectual property donation (IRS Notice 2005-41)

b The donee must report on Form 8899 (Notification of Income from Donated Intellectual Property): (1) the donor's name, address, and TIN; (2) a detailed description of the intellectual property; (3) the date of the contribution; and (4) the amount of the net income allocable to the donated property [IRC Sec. 6050L(b)(1) and Reg. 1.6050L-2].

c A written statement from the donee should include a description of the property and date of receipt and representations that (1) the property will be used in the required manner and was not exchanged for money, property, or services; (2) the donee is a public charity or private operating foundation; and (3) adequate records (with the donee's identity, the property's use, and the nature of any disposition) will be maintained and available to the IRS [Reg. 1.170A-4A(b)(4)].

d When determining whether a C corporation's noncash contributions exceed \$5,000 (and thus, Section B of Form 8283, rather than Section A, is required), donations of inventory for the care of the ill, the needy, or infants are only counted to the extent their value exceeds what would have been included in cost of goods sold if the items had been sold rather than donated.

Definition of terms:

Written Records. Taxpayers' records must include the following: (1) name and address of done organization, (2) date and location of the contribution, (3) description of the property, (4) FMV of the property (or cost, if taxpayer required to or elects to reduce FMV for appreciated property), (5) information related to contributions of partial interests in property, if applicable, and (6) terms of any conditions attached to the donation, if any [Reg. 1.170A-13(b)(2)(ii)]. If the donation is over \$500, written records must also include how and when the taxpayer acquired the property and the property's cost or basis. (However, basis information is not required for publicly traded securities or for property held 12 months or more.)

Acknowledgment. Written acknowledgment from the charity must include a description of the property or amount of cash donated plus a statement as to whether the donor received any goods or services (with a good faith estimate of value) in connection with the donation [Reg. 1.170A-13(f)].

- If the donor received intangible religious benefits, the acknowledgment must say so, although no valuation of such benefits is required.
- Taxpayers must receive the acknowledgment before the earlier of (1) the date the return for the year of the donation is filed or (2) the due date, including extensions, for filing the return.
- The acknowledgment can either be a paper copy or in electronic format, such as an email addressed to the donor (IRS Pub. 1771).
- A single written acknowledgment that satisfies all substantiation requirements under IRC Sec. 170(f)(8) and IRC Sec. 170(f)(17) is considered adequate substantiation for a contribution of cash, check, or monetary gift [Reg. 1.170A-15(a)(3)].
- A blank pledge card provided by the donee to the donor is not sufficient substantiation since it does not include all of the information required under IRC Sec. 170(f)(17).
- If the donation is for taxpayer's out-of-pocket expenses, the statement must describe the taxpayer's services and state whether the charity provided goods or services in consideration for out-of-pocket expenses.
- If the donor received something other than *de minimis* items (such as a calendar or key chain) in return for a donation of more than \$75, the charity must provide a statement informing the donor that the charitable deduction is limited to the excess of the contribution over the value of the goods or services provided by the charity (with a good faith estimate of the value of the goods or services provided).
- Under IRC Sec. 170(f)(8), adequate contemporaneous acknowledgment must include the following:
 1. the name and address of the charity;
 2. the date of the contribution;
 3. the amount of cash contributed;
 4. a description (but *not* an estimate of value) of any property contributed;
 5. whether the charity provided the donor any goods or services in exchange for the contribution; and, if so,
 6. a description, and a good faith estimate of the value, of the goods or services provided by the charity or, if the only goods or services provided were intangible religious benefits, a statement to that effect.
- Form 8283 is not a contemporaneous written acknowledgment since it does not include all of the information required by IRC Sec. 170(f)(8)(B) [Preamble to TD 9836 (July 30, 2018)].

Contemporaneous. An acknowledgment is considered to be contemporaneous if the taxpayer receives it by the earlier of the date the tax return for the year of the contribution is filed, or the due date (including extensions) for filing such return [IRC Sec. 170(f)(8)(C)].

Pledge Card. A document prepared by or for the charity showing the charity's name. If \$250 or more is withheld each time, the pledge card must also state that the charity does not provide goods or services in return for any contribution made to it by payroll deduction [Reg. 1.170A-13(f)(11)].

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