

Charitable contribution substantiation information required		
Amount	Documentation	Substantiation
Cash donations of less than \$250	Bank record	Includes cancelled check; bank, credit union, credit card statement showing name; and transaction posting date (credit card)
	Written communication from charity	Name of charity, date, and amount of contribution
	Payroll deduction	Pledge card and pay stub, W-2 wage statement, or other document furnished by employer including total amount withheld for charity
Cash donations of \$250 or more	Written acknowledgment from the charity for each donation	Name of charity, date, amount paid, description (but not value) of goods or services provided by the charity
Noncash contributions of less than \$250	Receipt from donee or reliable records	
Property donations greater than \$250 and not more than \$500	Contemporaneous written acknowledgment	Name of charity, date, amount paid, description (but not value) of goods or services provided by the charity
Property donations greater than \$500 and not more than \$5,000	Written acknowledgement	All of the above, plus: <ul style="list-style-type: none"> • How you got the property; • Date you got the property; • Cost or other basis. Must file Form 8283, Noncash Charitable Contributions
Donations of \$5,000 or more excluding stock, certain works of art, and autos	Qualified appraisal	Attach appraisal to return and complete page 2 of Form 8283
Donations of art valued at \$20,000 or more	Signed appraisal and photograph	Attach signed appraisal to return and provide photograph of sufficient quality and size to fully show object if requested by the IRS
Stock of publicly traded corporation	No appraisal required if as of date of the contribution market quotations are readily available on an established securities market	Attach Form 8283 to return

Charitable contribution substantiation information required (continued)		
Amount	Documentation	Substantiation
Nonpublicly traded stock	Contributions greater than \$5,000 and less than or equal to \$10,000	A partially completed appraisal summary; complete Form 8283, Part I
	Contributions greater than \$10,000	Attach qualified appraisal to return
Vehicle, boat, and airplane with value of more than \$500	Value is the lesser of the gross sales proceeds or the FMV of the vehicle if no "significant use or material improvement"	Taxpayer needs contemporaneous written acknowledgement from donee organization; donee organization must use Form 1098-C to report value of vehicle donations, if vehicle is sold; this can be used to provide acknowledgement to the donor
These rules apply to individuals making qualified contributions to IRC §501(c)(3) organizations. Additional rules apply when gifting a partial or restricted interest, gifts via trusts, and gifts with remainder interest.		

Planning Tip

Inform your clients that they need to prove "good used condition or better" of their donated items. A detailed statement, complete with pictures will better represent the item gifted. Receipts from the Salvation Army or Goodwill with vague descriptions will not be enough substantiation for a \$1,000 or \$2,000 (for example) non-cash contribution.

Boat donations subject to same strict rules as for vehicles (INFO 2009-0061)

The IRS advises taxpayers that donations of boats are subject to the same strict deduction limitation rules that apply to vehicles. As a result, if the boat's claimed value exceeds \$500 and the charity sells it, the donor's tax deduction is limited to the actual sales proceeds received. A contemporaneous written acknowledgment that meets the requirements of IRC §170(f)(12)(B) must also be received. As is the case with donated vehicles, a donor is permitted to instead deduct the boat's fair market value if the charity makes "significant use of it as part of its exempt mission." But, the charity's use of the vessel as a charter boat does not qualify for this exception.