

## Charitable Giving through CFC and IRS Regulations

August 2011

- 1) CFCNCA does not provide goods or services in whole or in partial consideration for any contribution made to the organizations via this pledge.
- 2) According to IRS guidelines for the documentation of donations to charities, taxpayers need proper documentation for all charitable contributions, regardless of size, or whether the gift was made by cash, check, or payroll deduction, in order to claim them as a tax deduction.
  - a. Payroll Deduction Donors
    - i. Retain Blue Copy of Pledge Form
    - ii. Retain final leave and earnings statement
  - b. Check Donors
    - i. Retain Blue Copy of Pledge Form
    - ii. Retain copy of cancelled check
  - c. Cash Donors
    - i. Retain Blue Copy of Pledge Form
    - ii. Request Tax Letter from CFCNCA
- 3) Cash and check donors who give \$250 or more in one gift will automatically get a tax letter from CFCNCA after their pledge has been processed and their check is deposited.
- 4) Cash and check donors who give less than \$250 must request the letter from CFCNCA if they need additional documentation. To get a tax letter, call the Help Desk at 202-465-7230.
- 5) CFCNCA provides this information only as guidance. CFCNCA is not responsible for tax advice and strongly suggests that donors with questions contact their tax advisors with specific questions regarding IRS rules for charitable contributions.
- 6) In Kind Gifts
  - a. CFCNCA does not accept in-kind donations.
  - b. Businesses which make in-kind contributions to Federal departments can take a deduction for marketing expenses.
  - c. Unless an in-kind donation is received by a tax-exempt charity directly, the charity cannot provide a receipt.
  - d. CFCNCA will provide letters to help campaign managers solicit contributions for special events and auctions as well as acknowledgement letters for the contributions of goods and services.

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