

TAX TIPS

PROVE THOSE DEDUCTIONS!

Americans give billions of dollars a year to charity, and most folks intend to deduct their charitable gifts from income on their tax returns. You can—if you have substantiation of the amounts as required by tax law. No proof, no deduction.

Small checks or donations by credit card—less than \$250—are generally adequate for smaller, casual donations. But for any gift of \$250 or more, there must be an acknowledgement from the charity at the time the contribution is made or no later than the earlier of the date the tax return is filed or the due date of that return, allowing for extensions.

In addition, the acknowledgement must also indicate whether the charitable organization provided any goods or services to the taxpayer in consideration of the gift and must include a description or estimate of the value of the goods or services (the value of that coffee mug you got, for instance).

Save those receipts. Good advice is provided as a public service by the tax people at
