

## Tips for Holiday Charity Giving

### Article Highlights:

- Holiday Season Charity Gifts
- Long-form Itemization Required
- Documentation for Taxes
- Monetary Donations
- Property Donations
- Charity Scams
- Qualified Charities Only
- Disaster Scams
- ID Thieves

The holiday season is the favorite time of the year for charities to solicit donations. It is also the time of year when scammers show up in force, pretending to be legitimate charities in hopes of swindling you. It is also a festive and very busy time of the year, and you may inadvertently overlook the documentation needed to verify your generosity for tax purposes. Here are some tips for charitable giving.

Documentation – To claim a charitable deduction, you must itemize your deductions; if you don't, there is no need to keep any records of your donations. There are two types of charitable gifts: monetary and property.

Monetary donations include those made by cash, check, credit card, or other means. This type of contribution is only deductible if the donor maintains a record of the contribution in the form of either a bank record (such as a cancelled check) or a written communication from the charity (such as a receipt or a letter) showing the name of the charity, the date of the contribution, and the amount of the contribution. In addition, if the contribution is \$250 or more, the donor must also get an [acknowledgment from the charity](#) for each deductible donation. Keep in mind that dropping cash in a holiday donation kettle without any documentation is not deductible.

Non-cash holiday contributions to organizations such as Toys for Tots and to seasonal food drives by recognized charities are also deductible. The deductible amount is the fair market value (FMV) of the items at the time of the donation, and you must document your donation with a detailed list of what was given and the name of the charity receiving the gift. Where the FMV of your gifts is \$250 or more, you must also obtain an [acknowledgment from the charity](#) for each deductible donation. When gifts of property are \$500 or more, there are additional record keeping requirements, so please call for details if you plan to make gifts of this value.

Watch Out for Charity Scams – To avoid scammers getting your charitable donations, make sure you are contributing to a legitimate charity and not to a bunch of crooks who work overtime during the holidays to trick you out of money.

Be wary of charities with names that are similar to familiar or nationally known organizations. Some phony charities use names or websites that sound or look like those of respected, legitimate organizations.

When in doubt, you should take a few extra minutes to ensure your gifts are going to legitimate charities. [IRS.gov](#) has a search feature—Exempt Organizations [Select](#)

[Check](#)—that allows you to find legitimate, qualified charities to which donations may be tax deductible.

*Disaster Scams* – In the wake of significant natural disasters, such as Hurricane Matthew, it's common for scam artists to impersonate charities to get money or private information from well-intentioned taxpayers. Scam artists use a variety of tactics including contacting people by telephone or email to solicit money or financial information, and they may even set up phony websites that claim to solicit funds on behalf of disaster victims.

*Watch Out for ID Thieves* – Don't give out personal financial information such as your Social Security number or passwords to anyone who solicits a contribution from you. Scam artists may use this information to steal your identity and money. Using a credit card to make legitimate donations is quite common, but please be very careful when you are speaking with someone who called you; don't give out your credit card number unless you are certain the caller represents a legal charity.

Don't be a victim; make sure you are donating to recognized charities. Deductions to charities that are not legitimate are not tax deductible. If you have questions, please give this office a call.