

BE CHARITABLE - IT PAYS YOU AND HELPS OTHERS

1. EVERY ORGANIZATION'S FAVORITE GIFT TO RECEIVE IS MONEY. MAKE A FINANCIAL CHARITABLE CONTRIBUTION - YOU CAN USE YOUR CREDIT CARD AS LONG AS THE DATE PROCESSED IS IN THE CURRENT YEAR. MAIL CHECKS WELL BEFORE YEAR END BECAUSE THE CHARITY WILL PROCESS YOUR CONTRIBUTION ON THE DATE RECEIVED, RATHER THAN THE POST MARK DATE.

To give on line, simply go to your favorite charity's web site - almost all allow you to make a contribution on line with a credit card.

Otherwise, try www.guidestar.com .

GOOD IDEA!!!! For a nondeductible, but ongoing gift, to your favorite charity, look at www.goodsearch.com. Goodsearch will give money to your charity EVERY TIME you do an on line search through Goodsearch. It works! Try it!

GREAT IDEA!!! Select a few charities that inspire you or further your ethical agenda and set up a monthly gift from your credit card or bank account. That way, the charity receives your gift every month and you don't have to remember to write the check.

2. CLEAN OUT CLOSETS, GARAGE, KITCHEN AND MAKE A CHARITABLE CONTRIBUTION OF NONCASH GOODS TO GOODWILL OR ARC OR DISABLED VETERANS ETC ETC.

To assure that your contribution is deductible - DOCUMENT it. Take photos, make a list of items along with their original purchase price and their current thrift store value. BE REALISTIC. You can use www.itsdeductible.com (or sites for the Salvation Army or Goodwill) as a guide, but remember that the IRS does NOT sanction that web site's valuations. You are now required to have receipts to prove the purchase price. Just be aware of that. Get a signed and dated receipt if your gift exceeds \$250 per trip. Be sure to give us your lists to use in preparation of your tax return. If you donate more than \$500 per year, you must file a form in your tax return that discloses your donations.

3. GIVE AT THE GROCERY STORE/PET STORE CHECK OUT.

Grocery stores and the big box pet stores collect money regularly for a variety of charities throughout the year. It is EASY to simply ask the checker to add a few dollars to your grocery or pet store purchases AND the gift shows up right on the receipt. Keep the receipt with your tax papers so you don't forget about it. Get in the habit. \$5 a week adds up to \$260 a year. And it is painless.

4. CONSIDER GIVING AWAY THAT OLD CLUNKER CAR (OR BOAT OR TRAILER OR OTHER BIG THING).

If you give a car to charity before the end of the year, you could get a big deduction. Here are the rules, briefly. If the charity sells the car at auction, your deduction is the amount the car sold for and the charity will supply you (and the IRS) with a 1099. If the charity will use the car in its mission or gift the car to a needy person, you will get a fair market value deduction and the charity will give you a letter indicating that it will indeed make use of the car itself. Big difference. Shop around to find a charity that can use your car. If it isn't running, how about a school for mechanics?? ☺

5. VOLUNTEER MILEAGE IS DEDUCTIBLE!

If you drive your car to do volunteer work...your mileage is deductible. Pull together your log showing date, reason, and miles. Don't overlook this deduction! If you drive thousands of miles, have the organization give you a letter thanking you for driving A LOT (have them use your specific amount from your well maintained log). For 2010, the deduction is 14 cents per mile - which doesn't sound like much, but if you drive 1,000 miles (a mere 20 miles a week) driving seniors to doctor appointments (for example), you will have a \$140 deduction.

6. GIVE TO LOCAL CHARITIES WITH A TAX RETURN GIFT.

On your state tax return, you have the opportunity to designate gifts to local charities using your tax refund (or by sending funds to your state government). In Colorado, there are usually 14 choices, ranging from Nongame Wildlife to Easter Seals to Veterans Cemetery Funds. We will post the list on the web site for Colorado. It is easy to make the gift - just let us know that you'd like to give a few dollars. We

suggest \$1 for each fund, to total \$14 per year. If every tax return did that, exempt organizations in the state would raise a couple million dollars every year. Your gift is deductible on the next year's tax return.

7. SPONSOR A FRIEND (OR YOURSELF) AT A CHARITABLE EVENT.

You can deduct the pledge that you actually pay in the year you pay it to an organization on behalf of your friend's or your effort - ie a 5K run for breast cancer research or the Denver Dumb Friends Furry Scurry.

8. JOIN AN ORGANIZATION.

Become a member at the zoo or the art museum or botanical garden, get free admission for a year, AND a charitable contribution deduction! WIN/WIN/WIN. With a membership, there is a benefit to you, so the whole membership fee is probably not deductible. The organization will give you a letter telling you what is and what is not deductible.

9. CASH IS NOT DEDUCTIBLE. The money you slip into the Salvation Army kettle or the plate at church is NOT deductible—unless you have a receipt. It is perfectly OK to put a check into the kettle or to put your \$20 bill into an envelope with your name and address on it to give cash at church. No receipt - no deduction.

10. NOT DEDUCTIBLE AT ALL.

- a. Money you give your kids to go on a mission or charitable excursion. Give to the organization instead - however, the organization does NOT have to use the money for your child.
- b. Money you pay for tuition at a private school. There may be a charitable gift opportunity, but not if it is designated tuition.
- c. Money you give to a "memorial fund" at a bank - unless you have a document that states that the fund is a 501(c)(3) organization.
- d. Money or stuff you give to a family member or friend to help them out.

- e. Money you gift your children or grandchildren - ie the \$13,000 annual gift allowance.
- f. Money you pay to buy stuff at church or a charitable organization - coffee, tapes, books, classes, games, bric-a-brac.