

Determine if a donation is Tax Deductible

Push America Tax ID #58-1588777

As you hold fund raising events such as car washes, raffles, and scaffold sits you may be asked by those donating to your cause if their contributions are tax-deductible. **You should always have a receipt book at any fundraising event.**

A contributor cannot receive in return any item, service (car wash, lawn mowing, etc.), or privilege (admittance to a theater, concert, banquet, etc.) which has a fair market value that equals or exceeds the amount or value of the item is considered tax deductible.

Example 1: You are sponsoring a free car wash on behalf on Push America. You are not charging any type of fee per wash, but are accepting donations from patrons. The donations range anywhere from \$1-\$20. One patron asks you if his \$15 donation is tax deductible. How do you answer?

The fair market value of a car wash is around \$5. Any donation received that is \$5 or less is not deductible, but any donation greater than \$5 will be partly deductible (the donation amount minus the fair market value), so your patron has made a \$10 tax deductible gift to Push America.

Example 2: You are sponsoring a raffle to raise funds for Push America. Each ticket sells for \$2 for a chance to win a \$500 stereo system. A buyer asks if her \$2 is tax deductible. How do you answer?

Even though the payment is a contribution to Push America no part of the payment is deductible as a charitable contribution. Amounts paid for chances to participate in raffles, lotteries, or similar drawings are not gifts and therefore are not deductible.

Example 3: You solicit a local business for contribution. You impress a local business owner and he contributes \$50 to Push America on your behalf. He asks if his contribution is tax deductible. How do you answer?

The full \$50 is deductible. His cancelled check along with a copy of our letter from the IRS explaining our exempt status is all he will need. A copy of the letter can be obtained by calling Push America at 1-800-929-7874 x117.

Example 4: Your chapter holds a toll road for Push America. You approach a car and the driver places \$10 in your bucket. She asks if she can have a receipt for her donation? How do you answer?

Write her out a receipt and tell her that the full \$10 is deductible since she didn't receive any good or service in return for her donation.

If you are going to promote tax deductibility during your fund-raisers, it is your responsibility to inform contributors of this information. You must clearly state exactly how much of a contribution will be considered deductible on any printed materials you produce (tickets, flyers, etc.)