

## **Gift-In-Kind Procedures AHTCC**

### **I. Introduction**

The primary goals of this document are to help facilitate the AHTCC to accept the gift-in-kind and ensure that AHTCC appropriately recognizes the donor's gift.

Gifts-In-Kind generally fall into two categories.

1. The first category consists of tangible assets. This includes such items as materials, equipment, software, printed materials, long lived assets, food or other items used for hosting events. These items are potentially tax deductible to the donor and can be counted in the AHTCC fundraising totals.
2. The second category of gifts-in-kind consists of contributed services. This includes such items as personal time (i.e., consulting or volunteer time) and use of facilities (i.e., use of office space). The value of these items is not tax deductible by the IRS and not counted in the AHTCC fundraising totals.
3. This procedure outlines the gifts-in-kind that are to be retained for use by AHTCC. It does not apply to the gifts-in-kind that are to be sold.
4. AHTCC does not give legal or tax advice. If a donor has questions regarding to the charitable deduction amount, the donor should be instructed to consult with his/her tax advisor.
5. All auto-mobile donations needs to be communicated to Treasurer and only upon approval by Treasurer, AHTCC should accept the donation.
6. Gifts in kind may carry additional risks to the AHTCC and therefore prior to acceptance of the gift, please contact AHTCC Treasurer. Examples of associated costs include but are not limited to: Appraisal costs, storage costs, potential legal ramifications and/or potential disposal costs.
7. AHTCC has final authority on all GIK donations.

## **II. Tangible Gift-In-Kind procedures**

### **A. GIKs with a value under \$500**

AHTCC has established a minimum value for gifts-in-kind to be recorded in the system under \$500.00. AHTCC will acknowledge the gift, but no gift-in-kind paperwork is required. When acknowledging GIKs, AHTCC should not include any value in the letter.

### **B. GIKs with a value between \$500 and \$4999**

- a. If a donor intends to claim a tax deduction for a non-cash gift with a value of \$500 or more, he/she must submit an IRS Form 8283.
- b. If a donor intends to claim a tax deduction for a non-cash gift, he/she must obtain a written acknowledgment from AHTCC.
- c. The donor is responsible for submitting a completed Form 8283 to the AHTCC. This form must be signed by the Treasurer. The signature of the Treasurer on the form does not represent concurrence in the appraised value of the contributed item.
- d. AHTCC should make copies of all the documents, including IRS form.
- e. AHTCC acknowledgements should only include the description of the item with no value stated.

### **D. GIKs with a value of about \$5000**

- a. If a donor intends to claim a tax deduction for a non-cash gift with a value of \$500 or more, he/she must submit an IRS Form 8283, accompanied with an appraisal executed by a qualified independent appraiser.
- b. The appraiser cannot be the donor or the donee.
- c. The appraisal cannot be made earlier than 60 days prior to the date of the gift.
- d. The donor is responsible for obtaining any required appraisal and the appraiser's signature on Section B of Form 8283. AHTCC Treasurer must sign the Form 8283 to acknowledge the receipt of item. The signature of the Treasurer on the form does not represent concurrence in the appraised value of the contributed item.
- e. AHTCC should make copies of all the documents, including IRS form.
- f. AHTCC acknowledgements should only include the description of the item with no value stated

## **III. Contributed services**

- a. Based on the IRS regulations contributed services are not contributed charitable contributions.
- b. Services requiring special skills may be eligible for recognition credit. This includes services provided by Accountants, Architects, ...

- c. Use of real property is considered contributed services and is eligible for recognition credit only.
- d. Restaurants and other businesses that provide catered food for the events can only deduct cost of the food not the “service” as a charitable contribution.
- e. One acceptable option for volunteers who provide professional services to AHTCC is to bill for their service, accept the payment and then make gift to AHTCC.

#### **IV. Miscellaneous**

For any other items not covered in this document, please contact AHTCC Treasurer, by email.