

## **§1300 CHARITABLE GIFTS AND QUID PRO QUO CONTRIBUTIONS**

### **§1301 SUBSTANTIATION OF CHARITABLE CONTRIBUTIONS IN EXCESS OF \$250**

*§170 of the Internal Revenue Code provides that no deduction shall be allowed to a taxpayer for a separate charitable contribution of \$250 or more unless they have written substantiation from the charitable organization (which would be the parish or school in this case). Taxpayers may no longer rely on a canceled check for substantiation of a contribution of \$250 or more.*

*The new substantiation rules do not impose any obligation on the parish/school. This regulation requires the parishioner or any donor to request the substantiation acknowledgment from the parish/school.*

*The parish/school is not obligated to provide a substantiation acknowledgment to the donor, but by refusing to provide the acknowledgment, the parish/school may alienate its parishioners or other donors.*

<p><b>1301.1. Policy</b> The Archdiocese of Chicago shall comply with applicable provisions of Section 170 of the Internal Revenue Code.</p>
--

#### ***Procedures***

- a) Although a written acknowledgment need not be made in any particular form, it must contain the following information:
  - 1. The amount of cash contributed or a description (not a valuation) of contributed property other than cash.
  - 2. An indication whether the parish/school provided any goods or services in exchange for the gift.
  - 3. A description and good faith estimate of the value of any goods or services provided by the parish/school in exchange for the gift.
  - 4. A statement that such goods and services consist solely of intangible religious benefits (such as admission to a religious ceremony).
- b) If the parish/school provided no goods or services to the taxpayer in consideration of his contribution, the parish/school must include a statement to that effect.
- c) Separate payments, such as weekly contributions will be treated as separate contributions and shall not be aggregated for the purposes of applying the \$250.00 threshold.

**§1302 DISCLOSURE REQUIREMENTS FOR QUID PRO QUO CONTRIBUTIONS IN EXCESS OF \$75**

**1302.1. Policy** A parish/school which receives a contribution in excess of \$75.00, where the payment is made partly as a contribution and partly in consideration for goods or services provided to the taxpayer, shall provide a written statement to the donor that identifies the value of the goods or service. This acknowledgment shall be provided at the time the donation is made or by the date of the event.

***Example***

For example, a fund raising dinner at a local hotel where the donation is \$100.00 and the cost of the dinner is \$40.00. A written statement must be given to the donor indicating that \$60.00 of his \$100.00 is tax deductible.

**Note**

Parishes/schools which do not provide written acknowledgment are subject to penalties of \$10/Contribution to a maximum of \$5,000.00.