



Tax Season Charitable Contributions

Dear Client:

The current tax law is very specific as to how we need to treat and report cash and noncash donation valuations, such as Goodwill.

The tax law provides various penalties that may be imposed to you the taxpayer and us, the preparer, when in audit, and you can't support deductions taken.

All charitable contributions claimed as a deduction on your return must be substantiated by keeping a written record of each contribution. Acceptable written records used to substantiate each contribution include a cancelled check or bank record that supports the donation, or a written receipt or similar statement that includes (1) the name of the donee organization, (2) the date and amount of the contribution and (3) if any goods or services were received in exchange for the contribution. Contributions of \$250 or more require a statement from the charitable organization.

Donations of clothing and household items must be in good used condition or better to allow a charitable contribution deduction. If you donated property during the year, you should keep a receipt or written record from the organization to which the donation was made, or a similar written statement that shows the organization's name and address, the date and location of the gift, and the description of the donated property.

By signing below:

- I am aware that in the case of an audit, if these records are not maintained, penalties may be imposed due to the loss of the questionable charitable deduction.
- I maintain documentation and itemized listing of all charitable contributions.
- I also am aware that if for any reason the Internal Revenue Service, the Wisconsin Department of Revenue, any other taxing authority, or any court, shall require you to adjust your tax return in question due to these inclusions, you agree to hold this tax preparer harmless of any tax owed, and any penalties or interest. Further, you agree to pay any additional fees required to amend your return, if required.

Taxpayer Signature

Date

Taxpayer Signature

Date

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| Tax Return Preparation ■ Financial Statements ■ Payroll Checkwriting ■ Bank Reconciliations ■ Computer Training | | |
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