



Charitable Contributions

Donations and Deductions



You may be able to deduct charitable contributions on your tax return.

If you itemize your deductions rather than claim the standard deduction, you may be able to deduct your charitable contribution. Read more to find out what qualifies and how it works.

What Charities Qualify?

Contributions made to qualifying charities are tax deductible. Below is a list of common qualifying organizations:

- All 501(c)(3) organizations
- Organizations that operate exclusively for religious, charitable, educational, scientific, or literary purposes.
- Organizations that help prevent animal or child cruelty
- Organizations that foster national or international amateur sports competitions, excluding athletic facilities or equipment
- War veterans organizations
- Federal, state, and local governments, solely for public purposes
- Nonprofit schools and hospitals
- Salvation Army
- American Red Cross
- Goodwill Industries
- United Way
- Boy Scouts of America
- Boys and Girls Clubs of America

Important Considerations

A taxpayer who overestimates the fair market value of a donated item will incur a penalty of 20-40% of the value claimed as a deduction.

All taxpayers *must* keep records to verify monetary and non-monetary contributions (i.e., contributions receipts)

What is Deductible?

When you make qualifying charitable contributions, you can deduct these donations from your tax return and reduce your taxable income.

Deductible amounts for donations *must* take the form of *at least one* of the following:

- Cash
- Monetary donations - check, credit/debit card
- Payments to charity exceeding the value of benefits received
- The fair market value of donated goods
- Expenses associated with uniforms worn during service
- Unreimbursed transportation expenses related to service

**** Please note that donations of household items to Goodwill do not qualify as charitable contributions.**

What is NOT deductible?

Not all donations are deductible. Monetary or non-monetary contributions made to the following organizations are *NOT* deductible:

- Individuals
- For-profit Business Organizations
- Civic Leagues
- Labor Unions
- Political Organizations and Political Candidates
- Social Clubs
- Foreign Organizations (excluding Canada, Mexico, Israel)
- Homeowner's Associations

You may *NOT* deduct contributions in which you receive a benefit. Examples include:

- The cost of raffles, bingo buy-ins, lottery tickets
- Contributions to colleges/universities for event tickets
- Value of blood given to a blood bank