



**A Note to Our Donors:** Writing off charitable donations can lower your taxable income and reduce your tax bill if you itemize deductions on your return. The information provided below is **not** intended as, and **shall not** be understood as financial, professional, investment, or legal advice. Advice from a suitably qualified professional should always be sought in relations to any particular matter or circumstance.

### Eligibility for Deduction

- **Qualified Organizations:** Only donations to qualified 501(c)(3) charities are tax-deductible. Donations to individuals or political organizations are not eligible.
- **Itemizing Deductions:** To write-off charitable donations, you must itemize deductions on **Schedule A** of your Form 1040, instead of taking the standard deduction. Itemizing is beneficial if total deductions exceed the standard deduction.

**Deduction Limits by Donation Type:** The IRS limits the amount of charitable contributions you can deduct as a percentage of your Adjusted Gross Income (AGI), depending on the type of donation:

Type of Donation	Deduction Limit (% of AGI)
Cash donations to public charities	60%
Cash donations to private foundations	30%
Appreciated assets to public charities (e.g., stock)	30%
Appreciated assets to private foundations	20%

*Excess amounts can be carried forward for up to five years.*

### Types of Deductible Contributions

- **Cash Contributions:** Includes direct cash, check, or credit card donations. The full amount is generally deductible, up to 60% of your AGI.
- **Non-Cash Contributions:** Donations like clothing, household goods, or vehicles can be deducted at fair market value. Non-cash items over \$500 require additional documentation (Form 8283), and high-value items may need an appraisal.

**Example Calculation:** If you have an AGI of \$100,000 and donate \$10,000 to a qualified public charity, you could deduct the full \$10,000, reducing your taxable income to \$90,000—assuming you itemize deductions and that the \$10,000 is within the 60% AGI limit for cash contributions.

For more information, refer to [IRS Publication 526](#), which provides guidelines on charitable contribution deductions.