IRS Non Cash Charitable Contribution

Most tax payers are aware that certain cash donations for churches are tax deductible. Also certain personal property donations, for example clothing to Goodwill Industries are tax deductible. Although the non-cash donation is intended for a charitable organization, there are other qualified entities that can receive a tax deductible gift. Non-cash donations exceeding $5,000 will need to be performed by a qualified appraiser.

IRS Form 8283 list some of the requirements to be considered a qualified appraiser. A qualified appraiser is someone who prepares appraisal reports on a regular basis and is qualified to prepare appraisals of the property being valued. To acknowledge the IRS 8283 form requirements and monetary penalties for over-stating the value, a signature by the appraiser is required on the form. The IRS recognizes qualified appraisers as the individuals with the ASA (American Society of Appraisers) designation in their title, of which I am an accredited member in good standing.

The determination of *Fair Market Value* for the tax reporting charitable noncash contribution purposes is more complex, when the appraiser considers all of the exact requirements laid out by the IRS. The date of valuation is significant consideration in relationship to the actual date of transfer of ownership takes place. Additionally, the historical data for gifted assets will need to be reconciled. There are partial gifted assets. There are several levels of market value that will need to be researched and correctly applied to the gifted assets.

Having completed numerous non cash charitable contribution appraisals ranging from medical prototypical devices to advanced personal robotics gifted to qualified entities such as universities and tax exempt organizations with values up to $500,000, all of which needed careful research and reporting so that the deduction is acceptable and there are no rejections.