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Is Occupy Wall Street Tax Deductible?

[Occupy Wall Street](#) and its various local franchises may not exactly be media darlings. But if you sympathize with the movement and want to donate money, you can. But whether you can get a tax deduction for it as you would with more established charities is less clear. The media is starting to ask this question:

[Is Your Occupy Wall Street Donation Tax Deductible? Does It Matter?](#)

[Donations To Occupy Wall Street Are Now 'Tax Deductible'](#)



Here are 10 basic rules you can't get around:

1. You can't deduct charitable contributions unless you itemize. That means your donations will go on [Schedule A](#) to your Form 1040. Plus, you can only take a deduction of up to 50% of your adjusted gross income for most charitable contributions (30% in some cases), and there may be additional limitations on your ability to deduct these contributions.

2. Make sure your chosen organization is qualified! You can't deduct contributions to individuals, political organizations or candidates. Look for the tax status of the organization. The IRS maintains a list of all charities. To check whether particular organizations are on the IRS list, [search for charities](#) or download [Publication 78](#), Cumulative List of Organizations.
3. You can't deduct the value of your time or services. This is so even if you bill by the hour and donate many hours of otherwise billable time to charity.
4. If your donations entitle you to merchandise, goods or services, you can only deduct the amount exceeding the fair market value of the benefits you received. So if you pay \$500 for a charity dinner ticket but receive a dinner worth \$100, you can deduct \$400, not the full \$500.
5. Donations of property are usually valued at fair market value, but there are special rules for vehicles.
6. Clothing and household items must generally be in good used condition or better to be deductible.
7. To claim a deduction for money, you must maintain a bank record, payroll deduction record or written communication from the organization containing its name, the date and amount of your contribution. Cash contributions without any record don't cut it. For text message donations, your telephone bill will suffice if it shows the name of the organization receiving your donation, the date and amount of the contribution.
8. Cash contributions of \$250 and up must be supported by even more. Here, you'll also need a statement by the charity showing whether the charity provided any goods or services in exchange for the gift. If you make a property contribution worth \$250 or more, you must also retain a statement by the charity describing the property and its value.

9. If your noncash contributions for the year total over \$500, you must complete [IRS Form 8283](#), Noncash Charitable Contributions, and attach it to your return. For the IRS [Instructions](#) to Form 8283 click [here](#).
10. If you donate an item (or a group of similar items) worth more than \$5,000, you must also complete Section B of Form 8283, which requires an appraisal by a qualified appraiser. A “qualified appraiser” must meet IRS criteria, so allow time for these formalities.

For explanations of these and other charitable contribution rules, see IRS [Publication 526](#), Charitable Contributions.

If you want the IRS’s take on valuation issues and how to value noncash items, see IRS [Publication 561](#), Determining the Value of Donated Property.

For more, see:

[Occupy Wall Street finds money brings problems too](#)

[‘Lord of Flies’ in Zuccotti Park](#)

[Occupy The Tax Code?](#)

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