

## *Sample Gift Acknowledgments*

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Provided by Batts, Morrison, Wales & Lee, P.A., Orlando, FL  
<http://nonprofitcpa.com/>

**Sample Letter to Accompany Form 1098-C  
for Automobile/Boat/Airplane Contribution**

XYZ Charity, Inc.  
123 Elm Street  
Orlando, Florida 32801

DATE

Mr. David Jones  
567 Tree Lane  
Orlando, Florida 32801

Dear Mr. Jones:

Thank you very much for your gift of a (describe automobile/airplane/boat here), which we received on (date). Enclosed are Copies B and C of Form 1098-C, which will serve as your official acknowledgment for federal tax purposes. The related donor instructions to Form 1098-C are also enclosed for your convenience. Please consult with your tax advisor regarding the proper handling of this gift on your tax return.

We truly appreciate your support of our mission.

Sincerely,

John R. Post  
President

## Sample Charity Auction Acknowledgment

XYZ Charity, Inc.  
123 Elm Street  
Orlando, Florida 32801

DATE

Mr. David Jones  
567 Tree Lane  
Orlando, Florida 32801

Dear Mr. Jones:

Thank you very much for your support at our Annual Charity Auction on September 23, 2010. At the auction, you purchased the items listed on the attached page. The amount you paid for each item is also indicated on the attached page along with its estimated fair market value. The estimated market value matches the value published in the Auction Catalog. For items where the estimated value is marked \*, we were unable to determine the fair market value prior to the auction. Therefore, your purchase price is considered fair market value.

Federal tax law permits you to deduct the excess (if any) of your gift over the value of items you receive in exchange for each gift, and not in the aggregate. Again, we thank you very much for your support.

Sincerely,

John R. Post  
President

XYZ Charity, Inc.

Purchaser: David Jones  
Date of event: September 23, 2010

<b>Item Number</b>	<b>Description (see catalog for full details)</b>	<b>Amount paid</b>	<b>Estimated FMV</b>
217	Men's mountain bike	\$250	\$180
319	Cosmetics basket	\$325	\$225
627	Fishing gear	\$275	\$375
717	Dinner with baseball hero	\$700	\$130
729	Autographed basketball	\$270	*

\* - Fair market value deemed to be amount paid

**[This schedule must be accompanied by an acknowledgment letter for federal tax purposes.]**

**Sample Acknowledgment – Cash Contribution (no quid pro quo)**

XYZ Charity, Inc.  
123 Elm Street  
Orlando, Florida 32801

DATE

Top Cement Company  
567 Tree Lane  
Orlando, Florida 32801

Gentlemen:

Thank you so much for your generous contribution of \$\_\_\_\_\_ in connection with our Building Program. This letter will serve as a formal acknowledgment for federal tax purposes that you made this gift on February 1, 2010. You received no goods or services in exchange for this gift. Thank you again for your generous support.

Sincerely,

Mary E. Post  
President

## Sample Acknowledgment for Noncash (Property) Contributions

XYZ Charity, Inc.  
123 Elm Street  
Orlando, Florida 32801

DATE

Top Cement Company  
567 Tree Lane  
Orlando, Florida 32801

Gentlemen:

Thank you so much for your generous contribution of 100 yards of (describe) cement in connection with our Building Program. This letter will serve as a formal acknowledgment for federal tax purposes that you made this in-kind gift on February 1, 2010. You received no goods or services in exchange for this gift.

Pursuant to federal tax law, we are not permitted to determine the value of your gift for purposes of a charitable contribution deduction. However, you may wish to utilize the space below to document your estimated value. Please consult your tax advisor for specific requirements for deductibility. Depending on the amount you intend to deduct, an appraisal or other documentation may be required. Enclosed is a copy of IRS Publication 526 (the (year) edition), entitled "Charitable Contributions" which you and your tax advisor may find helpful. Thank you again for your generous support.

Sincerely,

Mary E. Post  
President

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Donor estimate of  
Fair Market Value \$ \_\_\_\_\_

## Sample Acknowledgment for Quid Pro Quo Contributions

### Charity Golf Tournament

XYZ Charity, Inc.  
123 Elm Street  
Orlando, Florida 32801

DATE

Mr. David Jones  
567 Tree Lane  
Orlando, Florida 32801

Dear Mr. Jones:

Thank you so much for your participation in the 2010 \_\_\_\_\_ Golf Tournament. This letter will serve as a formal acknowledgment for federal tax purposes that you made a gift of \$ \_\_\_\_\_ on Date . You received goods and services in exchange for this gift valued at \$ \_\_\_\_\_. [*A description of the goods and services should also be included. Example of description would be: These goods and services included an 18-hole round of golf with a cart, 6 golf balls and a golf shirt.*]. Federal tax law permits you to deduct as a charitable contribution only the excess (if any) of your gift over the value of items you received in exchange. Thank you again for your generous support.

Sincerely,

Mary E. Post  
President

## Sample Annual Year-End Letter to Volunteers Related to Deducting Out-of-Pocket Costs

XYZ Charity  
123 Elm Street  
Orlando, Florida 32801

DATE

Mr. David Jones  
567 Tree Lane  
Orlando, Florida 32801

Dear Mr. Jones:

Thank you so much for the volunteer services you provided to our organization during the year 2010. Your efforts in serving as a (describe volunteer position) have contributed greatly to the accomplishment of our mission.

While federal tax law does not permit volunteers to deduct the value of their personal services as charitable contributions, volunteers are permitted to deduct out-of-pocket costs they incur in providing such services. For example, if you purchased and donated materials in connection with your volunteer services, your out-of-pocket costs for the materials may be deductible. Other examples include your out-of-pocket costs for travel, lodging, etc. in connection with providing the services. Federal law also permits volunteers who use their vehicles in providing services to charities to deduct their mileage costs at a standard charitable rate of 14¢ per mile. (This rate applies to 2010, and may change in the future.) Of course, the costs described in this paragraph are deductible only if the volunteers are not reimbursed for them.

In order to deduct the costs described above, you must have proper documentation to support the amounts deducted. You may find IRS **Publication 526, "Charitable Contributions"** helpful in this regard. We have enclosed a copy of the (year) edition of Publication 526 for your convenience. You should consult your tax advisor to determine the amount, if any, that you may actually deduct on your own return.

This letter will serve to confirm that we provided you with no goods or services in exchange for your contributions of the services described herein, or the related out-of-pocket costs you may have incurred.

Thank you again for your generous service.

Sincerely,

John R. Post  
President