

# Non-Cash Gift to a Church

If the church receives a non-cash gift, the following letter illustrates a proper response.

Dear \_\_\_\_\_:

**Thank-you for your gift of \_\_\_\_\_. Please keep this receipt for your records and claim this on your tax return. According to the IRS, the church cannot name an amount and add it to your contribution record. Therefore, your contribution record will not show this gift, but you can claim it, using your receipt and this letter for verification. There is a line on the IRS form for non-cash contributions. Write the amount you can prove to the IRS in that space.**

**If your gift is valued at more than \$500, you will need to obtain IRS Form 8283. If your gift is valued at more than \$5,000, you will also need to obtain a qualified appraisal.**

**No goods or services were provided other than any “intangible religious benefit” for any of the contributions reported on this statement.**

**This gift was given with the understanding that no deduction is allowed unless the church exercises full administrative control over the donated item to ensure that they are being used in the furtherance of the church’s exempt purposes. Legally the church must retain the privilege to do with the item as the church pleases.**

**Sincerely,**

Notes:

Special rules apply to automobiles.

Selling property to a church at less than market value in order to receive credit as a tax-deductible donation requires proper verification BEFORE the transaction. Seek professional advice.