**Abstract:** For charitable donations of cash and property to be deductible, they must meet certain IRS criteria. This short article discusses some of the basic rules and explains how to determine if the charity is a qualified charitable organization.

**Follow IRS Rules to Nail Down a Charitable Tax Deduction**

Donating cash and property to your favorite charity is beneficial to the charity, but also to you in the form of a tax deduction. However, to be deductible your donation must meet certain IRS criteria.

First, the charity you’re donating to must be a qualified charitable organization, with tax-exempt status. A tool on the IRS website — the Exempt Organizations Select Check — allows users to search for a specific tax-exempt organization, check its federal tax status and see information returns the charity may have filed that are up for public review.

To be deductible in a given year, contributions must be actually paid, not simply pledged. So, if you pledged $5,000 but only paid $1,500 by the end of the year, you can only deduct the $1,500 on that year’s tax return.

If you donate property and receive something in return, you need to know the fair market value (FMV) of the item donated and the item received. Suppose you donate a flat screen TV to your child’s school, and in return receive event tickets. You must deduct the FMV of the tickets from the FMV of the TV to arrive at your tax deduction.

Substantiation rules also apply when giving cash or property to charity, and they vary based on the type and amount of the donation. For example, some donated property may require you to obtain a professional appraisal of value. Before you implement a course of action, consult your tax advisor.

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