

Gifts-in-Kind - An Alternative Gift Asset

A gift-in-kind is typically an item or a service that you donate to a non-profit organization. Such gifts are likely to be tangible assets - things you can put your hands on, carry or place in your residence, as opposed to cash, stocks, or real estate. Commonly, people donate tangible personal property. Rules governing gifts-in-kind differ from other assets, such as cash or securities. The key is for the donor to know if the receiving organization can use the gift to further their exempt purposes. For example, a museum often accepts works of art and will use the asset instead of selling it, the donor can then deduct (within limits related to their income) the entire value of the asset. [See IRS Publication 561 for advice in determining the value of the asset] If the asset does not have a “related use,” a purpose related to the RMS’ mission, the donor is permitted to deduct only the cost basis of the asset. Contributions of personal services are not deductible, however you may deduct any out-of-pocket expenses incurred in the course of performing services away from home for the RMS (e.g., meals, lodging and/or travel expenses), as long as there is no significant element of personal pleasure, recreation, or vacation connected to the travel.

Gifts of Merchandise

Support RMS operations by purchasing high quality items and gift certificates.