

Partial Relief From the Substantiation Requirements of Section 170(f)(8) of the Internal Revenue Code for Charitable Contributions Made After September 10, 2001, and Before January 1, 2002

Notice 2002-25

PURPOSE

Due to the unique circumstances of the September 11th tragedy, the Internal Revenue Service is providing taxpayers who made certain charitable contributions of \$250 or more with partial relief from the “contemporaneous written acknowledgment” requirement of § 170(f)(8) of the Internal Revenue Code with respect to those contributions. Taxpayers will be treated as satisfying the contemporaneous written acknowledgment requirement with respect to contributions made after September 10, 2001, and before January 1, 2002, if, on or before October 15, 2002, they either obtain the required acknowledgment from the donee organization, or have evidence of a good faith effort to obtain it.

BACKGROUND

Section 170 generally allows a deduction for charitable contributions made during the taxable year. With respect to contributions of \$250 or more, the deduction is allowable only if the donor obtains a written acknowledgment from the donee organization on or before the date the donor files the return reporting the contribution or on or before the due date (including extensions) of the return, whichever comes first. Section 170(f)(8).

A contemporaneous written acknowledgment is a timely written statement from the donee organization that contains the following information: (1) the amount of cash and a description (but not value) of any property other than cash contributed; (2) whether the donee organization provided any goods or services in consideration for the property contributed; and (3) a description and good faith estimate of the value of any goods or services provided by the donee organization in con-

sideration for the property contributed. The donee organization may provide a paper copy of the acknowledgment to the donor, or the donee organization may provide the acknowledgment electronically, such as in an e-mail addressed to the donor. See Publication 1771, “Charitable Contributions—Substantiation and Disclosure Requirements.”

The Service has become aware that, due to the overwhelming number of charitable contributions made in the wake of September 11th, many donee organizations are unable to supply donors with the required acknowledgments in a timely manner.

RELIEF

Under these unique circumstances, the following partial relief is provided: A donor that contributed \$250 or more of cash or other property after September 10, 2001, and before January 1, 2002, and has not obtained a written acknowledgment by the date specified in § 170(f)(8), will be treated as having satisfied the requirements of that section if, on or before October 15, 2002, the donor either obtains the required acknowledgment, or has evidence of a good faith effort to obtain it. An example of a good faith effort is sending the donee organization a letter or e-mail requesting a written acknowledgment that meets the requirements of § 170(f)(8). A copy of that letter or e-mail is evidence of a good faith effort.

Donors are reminded that they must comply with all of the other requirements of § 170 in order to be allowed charitable contribution deductions. For example, donors must comply with the requirement that they maintain records to substantiate the fact and amount of a transfer to a qualified charity within the taxable year.

DRAFTING INFORMATION

The principal authors of this notice are Patricia Zweibel and Susan Kassell of the Office of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this notice, contact Ms. Zweibel or Ms. Kassell at (202) 622-5020 (not a toll-free call).