Issue 17 Volume 1
December 2022

Saupé Tax News

Brought to you by
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Special points of interest:

- Annual Questionnaire Explained
- IRS Issues
- Charitable Donation Recap Required

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Inflation Reduction Act

President Biden signed the Inflation Reduction Act on August 16, 2022. We sent our clients an email blurb at that time suggesting you check out our website at www.sauppetax.com for a recap of this new law which has many tax related items in it.

This act also included a provision for extra funding for the IRS. This information is detailed in the article on page 3. This article will address the energy credit portions of the act.

The main purpose of this act is to incentivize the switchover from coal and natural gas to other methods of energy consumption. This is done in a myriad of ways including electric vehicles, residential clean energy, and energy efficient improvements. Per a number of independent analyses, greenhouse gases should be reduced by 2030 to 40% below 2005 levels because of this act.

Many of you may already be familiar with the energy efficient improvements as this is basically the same credit that was allowed off and on since 2006. This credit applied if you put in qualified heat pumps, HVAC pumps, metal roofs, insulation, or windows and doors. This credit previously had a $500 LIFETIME cap which meant once you had taken credits equal to $500 on your tax returns (it didn't matter whether that was for one year or over multiple years), you could not take any additional credit. Effective 1/1/2023, there is a $1,200 ANNUAL cap so even if you had already taken $500 (for example on your 2015 return), you could take another $1,200 on your 2023 return IF you spent sufficient funds in 2023 on qualified items. Please note that you must obtain a certification statement from the manufacturer that your item qualifies for this credit.

The other energy credit available to homeowners is the residential clean energy credit. This credit never had a lifetime cap, but did have a maximum credit allowed which had been gradually diminishing. Before passage of the IRA, the maximum credit was 26% and was scheduled to be reduced further to 23% in 2023. The IRA increased the amount to 30% for 2022 thru 2032 when it will begin to diminish again. This credit applies to solar, geothermal, wind turbine, and biomass fuel property.

Finally, the IRA is pushing electric vehicles in two ways. For the first time, *used* electric vehicles will qualify for a tax credit (effective 1/1/23). The used vehicle must be at least two years old, weigh less than 14,000 pounds, and must be purchased from a car dealer. The credit is 30% of the purchase price up to $4,000 total credit, and there are income restrictions on who can qualify.

More new electric vehicles may now qualify for the credit as the lifetime cap per auto company has been eliminated (once 200,000 electric vehicles from a company—i.e. Toyota– were sold the credit went away). However, there are now restrictions on where the car was actually built AND where the electric components were mined and manufactured. If you are considering an electric vehicle, be sure to get your car dealer to give you written confirmation that the car you are considering does qualify.

Medicare and IRA

If you are on Medicare, you probably followed the passage of the Inflation Adjustment Act and its medical provisions. But what was not widely covered in the news was the fact that many of these medical provisions do not take effect right away. The Medicare max co-pay for insulin of $35 only applies in 2023 and later. The Medicare Part D copay cap of $2,000 (where your share of prescription drugs is limited to no more than $2,000 per year) does not take effect until 2026. Finally, the ability for Medicare to negotiate drug prices only begins in 2026 and only for 10 drugs. It goes to just 20 drugs in 2029.

HSAs and Retirement

Do you have an HSA? This is a Health Savings Account and can be a great retirement tool. Yes, a retirement tool. Read on to understand why.

Many people treat an HSA like a FSA which is a Flexible Spending Account (sometimes called Flexible Spending Arrangements). An FSA has many tax advantages but retirement planning is not one of them. With an FSA, you notify your employer at the end of the year how much you would like to put into your FSA for the following year. For 2022, there was a maximum amount of $2,850. Your employer ratable deducted this amount from your paychecks over the year before calculating taxes (this is known as pre-tax). You could then submit documentation to your employer during the year to "prove" your actual medical expenses. Your employer would reimburse you for these expenses out of your FSA. If you did not have sufficient medical expenses to cover the FSA amount you set aside, you "lost" the unspent money unless your employer allowed you to carry over a small balance to the following year. With this type of plan, it is important to keep track of your medical expenses and ask for all reimbursement available so funds weren't lost. But with an HSA, you do NOT lose the funds. They are yours to keep and can be held for years before reimbursing you for medical. Here is an example. You are covered by your employer's group health plan which is a High Deductible Health Plan (HDHP). This means you are qualified to contribute to an HSA. Your whole family is also covered under this plan, so you are allowed to put $7,300 into the plan for 2022. You have medical bills of $3,000 for the year but do NOT request reimbursement. At the end of the year you have $7,300 plus interest in your account. You do this for 10 years and at the end of that time have $73,000 plus interest in your HSA. For this example, we are assuming no increase in the annual contribution limit. You now retire and that $73,000 is yours. Your employer may not keep any of that money. You start paying Medicare premiums and can tap the HSA to cover those and other medical expenses you have in the current year or **had in prior years.** Yes, you read that correctly. You can now go back and request reimbursement for that $3,000 in medical bills you had 10 years ago if you need that money for some reason. The money comes out interest and penalty free.

Keeping your fees low

We try to keep our tax preparation fees as low as possible. However, we need to continue the policy of charging you if you do not provide the required information with your tax paperwork.

If you do not complete the annual questionnaire in its entirety and return it with your tax documents, there will be an extra fee of $25. This means the questionnaire must be signed (by both taxpayers in the case of a married couple), all questions must be completely answered, and all documents requested in the questionnaire must be included. If you have questions about what to send, please ask us before sending your documents.

Failure to complete the estimated tax portion of the annual questionnaire will incur another $25 charge per taxing agency. This includes any federal, state, or city estimated taxes you paid during 2022 or the first few months of 2023. So if you pay city estimated taxes to two cities but fail to complete that information on the questionnaire, there will be a $50 extra charge.

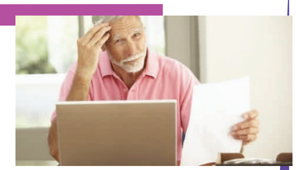
Because we need to have your current driver's license data on file to electronically file your return, there will be an additional $25 fee if your driver's license has expired and you do not send us a copy of the new license with your tax documents. It only takes a moment to open your wallet to determine when your driver's license was issued. If it was issued during 2022 or early 2023, the license on file with this office has probably expired.

No matter what method you use to send us your tax documents (see page 8 for a list of the recommended methods), please be sure to send them in an efficient manner. For example, if you are sending them electronically, please be sure to send as few scans as possible and to send them all at the same time. If you send documents over multiple days or weeks, or scan each document separately, we have to spend extra time to log in, download, review, and enter those documents. That extra time will now be added to your bill. Be sure to include both pages of a form that has information on both sides as oftentimes the back page does contain vital information. **Please send the documents as pdf scans as it takes extra time for us to convert these files.**

The later in the tax season your documents are received, the higher the overall tax preparation fee will be. We cannot create more hours into the time period available before the tax filing deadline.

We regret having to institute these additional fees, but you can easily avoid them by simply taking a few extra minutes when gathering and submitting your documents to ascertain that you have everything needed.

IRS Provisions in the IRA of 2022



There has been a lot of news lately regarding the provision in the Inflation Reduction Act (IRA) regarding IRS funding. One rumor going around is that of the 87,000 new IRS agents could hire with this funding, most or all of them will be carrying guns and will be conducting audits on middle income taxpayers. This is a distortion of the facts. Only people hired as IRS Criminal Investigation Special Agents carry firearms and currently there are only about 2,100 special agents. These agents handle cases involving tax fraud, tax schemes, bankruptcy fraud, financial institution fraud, healthcare fraud, money laundering, and public corruption. They do not conduct routine audits of US taxpayers.

Furthermore, the number of new hires is not set in stone but is based on a May 2021 report from the Department of the Treasury which estimated that the IRS could hire 86,852 employees with $80 million more funding. Much of this funding will actually be needed to upgrade systems and not to hire people.

Of these supposed 87,000 new hires, it is estimated that 50,000 may be needed to replace employees leaving the IRS in the next 10 years. Since 2010, the IRS has already lost 40% of its customer service workforce even while the US population has increased by 22 million people. To put this another way, there was one IRS employee for every 3,277 US citizens in 2010. In 2021, that number is now one agent per 4,226 US citizens.

The IRS has had their budget CUT 23% since 2010. Because of this, legitimate collection efforts have declined. Again here are some statistics.

- Taxpayers reporting over $1 million in income has doubled in the past eight years, yet audits of millionaires have fallen to 25% of their previous numbers. In fact, fewer than 2% of taxpayers reporting over $1 million are audited.
- IRS audits of millionaires recovered $4.8 billing in 2012, but only $1.2 billion in 2020.
- In 2012, nearly all companies reporting more than $20 billion in assets were audited, and those audits recovered $10 billion in unreported taxes. In 2020, the audit rate dropped to 1/3 of the companies with only $4.1 billion recovered.

Less money collected in audits means less taxes brought into the government coffers. To put this another way, the US debt was $22.3 trillion in August, 2021. In October 2022 the US debt hit $31 trillion.

Current data shows that the IRS is now taking 251 days to respond to correspondence sent to them by taxpayers (compared to 74 days in 2019) and that only 10% of the 240 million calls made to the IRS get answered. There were only 15,000 employees available to handle those calls, or one person for every 16,000 calls.

No one wants to see more IRS agents carrying guns, but something must be done to improve the IRS systems and processing to stop the financial chaos we are experiencing.

Roth Conversion—Should you or Shouldn't You?

Earlier in the year you may have heard some discussion in news articles about Roth conversions, especially when the stock market index was down. What is a Roth conversion, and should you do it? If you have a traditional IRA, you may make an election to have it converted (changed over) from a traditional IRA to a Roth IRA. You do this by contacting the plan sponsor for the traditional IRA. You may leave the money with the sponsor and simply have it re-titled or you may move the money from one plan sponsor to another. For example, you and your spouse each have a traditional IRA with XYZ bank. You both decide to convert your IRAs to Roths. We will discuss the tax consequences of this move in a moment. You contact XYZ bank and ask that they take your account and make it a Roth. They will actually close the traditional IRA and open a new account at their bank with a new title of the Roth IRA for the benefit of (fbo) your name. You should receive a 1099R at the end of the year showing the amount you converted. You will need to report this amount on your tax return and pay tax on this money but there will be no 10% early withdrawal penalty imposed. Your spouse also wants to convert their Roth but wants to move it from XYZ bank to ABC brokerage. He or she must first establish a Roth account with ABC brokerage with zero funds. Then he or she must contact XYZ bank and ask that the funds be sent directly from XYZ bank to ABC brokerage. Your spouse will receive a 1099R at the end of the year showing the amount of his or her conversion. Again, this is taxable income but no penalty is assessed.

Why would you make this conversion since the amounts converted are subject to tax? When the stock market is down, your investment value is less. Therefore the amount you pay tax on is less. And with a Roth all future growth is tax free (not tax deferred but tax free meaning you will not pay any tax on the growth if you meet the requirements). Again, an example, Your traditional IRA was worth $10,000 at the bank but fell in value to $8,000 because of market conditions. You convert the $8,000 to a Roth and you will pay tax on the $8,000. The tax rate at which you will pay depends on your marginal tax rate. But once the market turns around, your investment regains the lost $2,000 plus a lot more. At retirement, that Roth is now worth $25,000. You have generated $17,000 of non-taxable income ($25,000 less the $8,000 taxed at conversion). And chances are your tax bracket at retirement is higher than when you converted so you again had some tax savings by paying the tax years before at a lower rate.

Two key takeaways here—you must keep the money in the Roth for at least five years. And unlike annual contributions to a Roth, each conversion account must meet the five year rule. So if you convert money in 2022, you must hold it until 1/2/27. If you do another Roth conversion in 2023, that money must stay in a Roth until 1/2/28. Please note that you may change plan sponsors during this five year period as long as you keep the money titled in a Roth in your name. Second, you cannot take the income portion of the Roth until you reach 59 1/2. You may withdraw the principal after 5 years, so in our example you could withdraw the $8,000 once the five years has elapsed.

Annual Questionnaire Explained

To assist you with accurately completing the annual questionnaire, below is a recap of some of the questions and the information about those questions. If this does not help you determine the correct way to answer any question, please contact this office so we can assist you directly.

Question 1—Foreign bank account. This question does NOT refer to any funds you may have invested in foreign corporations through a US brokerage firm. For example, if you own shares of Barclays Bank (which is a United Kingdom company) via your US brokerage account with Morgan Stanley, you can answer NO to this question. But if you own shares of Barclay's Bank that are NOT held by a US brokerage firm (for example, you physically hold the stock shares), you should answer yes. By the same token if you have money in Barclay's Bank in the UK or any other country besides the US, you would also have to answer yes. There are foreign financial reporting requirements that will need to be met if you answer yes, and there are stiff fines for not complying.

Question 2—For 2022, you MUST itemize if you wish to take a charitable deduction. If you know you won't be itemizing, you may answer no to this question. But if you believe you may have enough itemized deductions to exceed the standard deduction ($12,950 for a single individual under age 65 or $25,900 for a married couple both under 65) you must answer Yes to this question AND complete the charitable recap on page 7 of this newsletter.

Question 3—Most states impose a USE tax as well as a SALES tax. If you purchase an item online that is normally subject to sales tax in your state, and do not pay sales tax on the purchase, you must pay use tax on this item or items. Failure to report this information means you are underpaying your tax and can be subject to penalties and fines. Most states require that your return indicate if you did or did not make purchases subject to use tax.

Question 4—You MUST have kept a contemporaneous log of your business trips if you wish to deduct business mileage. When completing the mileage log at the bottom of the page, you would fill out all appropriate blocks including the personal miles driven during *each half of 2022* so that the last box for each time period (Total Miles) is equal to the total of all the previous boxes for that time period. All this information is required for your tax return even if it does not show directly on the tax forms sent to you upon completion of the return.

Question 5—The IRS position is that ALL income is taxable unless a specific exemption keeps if from being taxable. If you received income from any source that did not provide you with documentation such as a W2 or 1099, please provide all relevant information here so we can determine its tax status.

Question 8—Most people have a Health Savings Account through their employer and make contributions to the account via payroll deductions from their paycheck. The employer is then supposed to show this total deduction your W2. However, contributions can be made outside of your work and you must provide us with all this information so that we can get you all the deductions to which you are entitled.

Question 9—A 529 plan is a savings tool for college costs and can also be referred to as a qualified tuition plan or a Coverdell Savings Account. Many parents start one of these plans when the child is young and contribute to it over the years. There is no deduction allowed on the federal return for the contributions, but many states do allow a deduction if the state requirements are met. For example, Ohio requires that the contributions be made to a plan sponsored by the Ohio Tuition Trust Authority. When the child attends college, these funds can be used to pay for qualified education expenses. The key here is to utilize these funds in such a way that you can still take full advantage of any Education Credits that may be available for that year.

Question 14—When you operate a business (and a rental home can be considered a business), you are required to send a 1099 form to any individual to whom you paid $600 or more from your business during the year. If the total paid was under $600, no reporting is required. There are penalties for not filing the form if required to do so. This office can assist you with filing these forms but note that the due date for these forms is 1/31 of the year following the year of payment (for 2022 payments that would mean 1/31/2023).

Question 17—The IRS does not limit the amount of gifts you can give each year. However, if you give any one person a gift **or gifts** that have a total value for all combined of $16,000 (2022 limit) or more in one year, you are required to report that gift to the IRS. There is rarely any tax consequence to that gift but it must still be reported. Keep in mind that gifts are not just cash gifts but can include stock, real property, or personal property. An accurate value must be assigned to all non-monetary gifts to determine if the $16,000 limit has been reached.

Question 19—Virtual currency includes Bitcoin, Ethereum, Litecoin, Chainlink, Stellar and others. All these types of virtual currency can have tax consequences on your tax return depending on what you have done with them. The IRS has a question on the tax return about virtual currency and must be answered before the return can be filed. Virtual currency issues can be a relatively complex area of tax laws, so if you are involved in this, please contact our office to discuss in detail.

Question 20—Admitedly this question is a bit of a catch all. However, if any of these items apply to you, you may be entitled to credits or deductions, or be required to complete additional forms and schedules. Be sure to include as much information as you can if you answer yes to this question. For the domestic service in your home, this would only be answered yes if you do **NOT** use a service such as Molly Maid or Visiting Angels.

Again, be sure to complete BOTH sections of the mileage recap (first half of 2022 and second half of 2022 if you wish to claim mileage on your tax return.

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OUR PLEDGE

- We will provide you with top notch tax preparation service.
- We will prepare your federal, primary state, and primary city (if applicable) returns based on the information you provide.
- We will file your federal and state returns electronically as required. If you prefer to mail a paper return, you must notify us of your intent when you submit your tax paperwork, and you will be required to include a waiver request with your mailed return (which we will provide).
- We will answer questions for you throughout the year regarding tax situations you may encounter. Please keep in mind that tax season is a very busy time for us. If you have questions, it may be better to ask them outside of tax season so we can give a full and complete answer.
- If you request, we will work with you to address questions that arise about your returns. However, you must send us copies of any notices you receive from the IRS, the state, or city regarding your returns. In a timely manner. We do not automatically receive copies of these notices and cannot assist you with them, without first reviewing the information in the notice.
- We will explore every available tax break for which you may be eligible and keep up with all the new tax laws to see how they may impact you.

However, keep in mind that there are some limitations to the services we can offer. We CANNOT do the following:

1. File any extension request form without the required authorization from you.
2. Maintain your tax paperwork indefinitely in our files (we only keep 4 years of records).
3. Track cost basis on your portfolio investments. However, for an additional fee we will try to calculate cost basis if you provide us all pertinent data in a timely fashion.
4. Prepare returns other than those mentioned above unless you have requested this in writing.
5. Give you financial or legal advice except indirectly as it relates to your tax situation.
6. Place a value on non-monetary items donated by you to a charity.
7. Discuss your tax information with anyone without your express **written** permission. The IRS requires a very specific disclosure notice be completed anytime a disclosure is requested. A verbal request or written note from you is NOT sufficient. This includes a request to fax or e-mail information to a third party.

8879 Requirements and Payment Methods

Just a reminder that when we send your completed tax returns to you, the returns have NOT been filed with the taxing agencies. We send you the copies of the returns (whether by mail or digitally) so that you have the opportunity to review the returns and ask questions about any part of it you do not understand, Only after you have reviewed the return should you sign the 8879 and any other signature documents sent to you. Upon receipt of the signed 8879 (and if the return is joint, BOTH taxpayers must sign), we will electronically submit your tax returns to the taxing agencies noted in your cover letter. Unless you hear from us otherwise, you can assume your tax returns have been accepted by the respective agencies.

Payment for our tax preparation services is due when you return the signed 8879. You can submit payment by a few different methods. You can simply include a check with your mailed 8879 form. You can use PayPal to send a payment to Janice Sauppe @ SauppeTaxServ. Please be sure to select “sending payment to a friend” Finally, if you wish to use a credit card for payment, you can contact our office with your credit card information. Please note there will now be a 4% surcharge for a credit card payment.

Ohio Tax Credits

For 2022, you can generate a tax credit on your Ohio tax return in a few new ways.

First, if you have dependents who are home schooled, you may be able to claim the home school expenses credit. This credit is the lesser of your qualified educational expenses for all home schooled dependents or $250. This credit can only be claimed once per return, no matter what your filing status. Your student, or students must have been excused by the district superintendent for formal home schooling for this credit. It does not apply to students who attended school remotely because of the Covid-19 pandemic. Qualified expenses include books and subscriptions, school supplies and supplementary materials, and computer software and applications. The cost of a computer or tablet itself does not qualify.

Another potential credit is the Scholarship Donation Credit. You obtain this credit, you must make a monetary (cash) donation to an eligible scholarship granting organization (SGO). The credit allowed is the smaller of $750 or the total you donated to SGOs during the year. This limit is per taxpayer, so a joint return could claim up to $1,500 if both spouses contribute $750 or more for the year to SGOs. A list of qualified SGOs can be found on our website at www.sauppetax.com

The final “Education credit” on the Ohio returns is the nonchartered, non-public school tuition credit. This credit only applies if you pay tuition for your dependent or dependents to an approved nonchartered, nonpublic school that is on the list of approved schools issued by Ohio. This list can also be found on our website at www.sauppetax.com

The credit only applies if your federal adjusted gross income is less than $100,000, with the exact amount depending on your actual AGI and the tuition you paid.

Sending Your Paperwork

Our mailing address is

P O Box 245 Trempealeau, WI 54661-0245

Our phone (voice or fax) is 608-534-2122. The email address is admin@sauppetax.com

Please send your tax documents by one of the following methods:

1. Use the US Postal Service—we recommend using Priority Mail so that you can track the package and confirm it was delivered.
2. Use UPS SurePost or FedEx Smart Post– both of these services start at UPS or FedEx but use the US postal service to complete the delivery process. Again you may want to look into tracking options. You must use one of these services as regular UPS and FedEx deliveries cannot deliver to a post office box.
3. Use our encrypted storage service (Verfyle) to send **pdf** scans of your documents. If you used the service in previous years, you should still have access and can simply use it again. If you wish to use this service for the first time, simply send us an email and we will set you up on this end. You will then receive an email which will direct you to a web page to establish your Verifyle account. You will get a randomly generated password (or you can change it to one of your choosing). Once in, you can upload any files you wish and we will get an email notifying us that the files are waiting. This service is through the National Society of Accountants. Every message, thread, and document has its own encryption key for maximum security unlike many other cloud-based storage services which use a master key to encrypt information in bulk.
4. We do ***NOT*** recommend it, but you can send **pdf** scans of all your documents via Dropbox or Google drive. Keep in mind this method is not very secure. If using this method, you **must** be sure you send all pages of every document, send **all** the documents at one time, and be sure all the pages are legible and complete before you send them. You must include our annual questionnaire. **Be sure to send us an email letting us know you are sending your documents this way.** For security reasons, we ***never*** click on a link in an email that is from an unknown or corporate sender so don't use an email inside the cloud storage to contact us. We won't open it!

Please do NOT send your documents as an attachment to an email as this is unsecured and your attachments often contain sensitive personal data. It is too easy for this information to be waylaid on its way from your computer to ours.

As always, we will send your completed returns back to you for your review and signing of the 8879. We cannot electronically file your return until we have the signed 8879 in our possession.

If you wish an "in person" meeting, we can do a Skype call. You simply need to contact us to arrange a time for this call.

If you would like a checklist of the documents you submitted to our office for last year's taxes, please let us know and we will provide one.

Tidbits

2022 Mileage Rate—There are two rates for business and medical miles for 2022. From January 1 to June 30, 2022, the business rate is 58.5 cents per mile and the medical rate is 18 cents per mile. From July 1 to December 31, 2022, the business rate is 62.5 cents per mile and medical is 22 cents per mile. The charitable rate for 2022 is 14 cents per mile (this rate is not subject to COLA increases). The business and medical rates for 2023 were not yet available as of the date this newsletter was printed. Check our website at www.sauppetax.com for the latest info.

Useful Apps and websites

LibreOffice 7.3—A free and powerful office suite that includes alternatives to Word, Excel, Power Point, Access and more.

Kodi —Allows you to manage your offline media library and stream it across devices.

Microsoft To-Do – A simple yet smart to-do list app to increase your productivity

IrfanView — one of the best apps for viewing photos.

Fooducate– Scan a barcode of an item and view its "grade" based on everything from calories to controversial ingredients.

Shazam—Let's you listen to a song and identifies it for you such as lyrics, band info, and where to buy.

Innerbody.com — an interactive guide to the human anatomy.

Lucidchart.com—any easy to use website that allows you to make flowcharts, task flows, and wireframes.

ManualsLib.com—the ultimate manuals library. Input your device name and model to search for manuals.

JustWatch.com– allows you to see where a movie or TV shows is currently available to stream.

Taxpayer Name______________________________

Charitable Donation Recap for 2022

Must be completed for ANY donations you wish to claim on your 2022 tax return.

Monetary donations

You may combine donations made to the same organization in this section. For example, if you gave three checks of $100 each to the Red Cross, you may simply list the total. In this case, since each donation was under $250, you do not need to provide any receipts from the charity and may enter NO in the last column. For method of payment, indicate check, bank debit, payroll deduction, or cash. If cash, you must include the receipt from the charity recognizing the donation. Please note that any purchase of raffle tickets from a charity does NOT represent a charitable donation. Also, if you receive something of value in return for your donation, your donation must be reduced by the fair market value of that item. The charity will normally provide you with this information.

Name of Charity	Method of Payment	Amount	Any single donation greater than $250? YES/NO
EXAMPLE: Red Cross	Checks	300.00	NO

Non-Monetary Donations

List each donation separately. In all cases, a receipt from the charity and a list of the items donated with the value assigned to each item **must** be included with your paperwork. For car donations, a 1098-C should also be included. If the **total** of all your non-monetary donations is greater than $500, you MUST complete the last three columns for **all** donations. A valuation guide can be found on our website at www.sauppetax.com. The value assigned to any item must be the **smaller** of fair market value or your basis (usually your cost). For example, if you found an item on the street and then donated it, your deduction for tax purposes would be zero because you had no basis.

Name of Charity	Date of Donation	Total Fair Market Value of Items Donated	How Acquired by Donor	Date Acquired by Donor	Donor's Basis
EXAMPLE Goodwill	12/15/20	$75	Purchased**	12/5/03**	$600**

** Not needed if the total of **all** non-cash donations are less than $500.