

REPORT #828

TAX SECTION

New York State Bar Association

Substantiation of Charitable Contributions
Under Code Section 170(f)(8)

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February 24, 1995

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Internal Revenue Service
Employee Plans & Exempt Organizations (CP:E)
Room 3408
1111 Constitution Avenue, N.W.
Washington, DC 20224

Re: Substantiation of Charitable Contributions
Under Code Section 170(f)(8)

Dear Mr. Schoenfeld:

Earlier this week you and I discussed the substantiation requirements of Code §170(f)(8), and the extent to which charitable organizations and their donors may not yet be fully aware of or in compliance with those requirements in respect of 1994 contributions. The Executive Committee of the Tax Section has not yet discussed this issue in session, nor do we have any real means to evaluate the pervasiveness within the charitable community of confusion or genuine ignorance of the substantiation requirements. However, individual members of our Executive Committee, including the Co-Chairs of our Committee on Tax Exempt Entities, do believe that there remain a fair number of charities, particularly smaller organizations, that either continue to be unaware of the substantiation requirements or are providing substantiation that falls short of the technical requirements of the Code.

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We understand that the Service is studying this problem, and the possibility of providing some relief. We recognize that providing any relief in this area requires that one balance the concerns for equitable tax treatment of donors and the difficulties in satisfying the technical documentation requirements against the importance of maintaining the integrity of the statute and respecting the efforts of those charities that have invested the time and effort to comply. If we can be of any assistance in this effort, please do not hesitate to call me or the Committee Co-Chairs, Jonathan Small ((212) 903-6461) or Michelle Scott ((201) 802-3855).

Very truly yours,

Carolyn Joy Lee
Chair

CJL/md