

New Tax Break for Contributions to Haiti Earthquake Relief

A new tax relief law allows people who contributed in 2010 to charities providing earthquake relief in Haiti to take a tax deduction for the contribution on their 2009 tax return instead of their 2010 return. This means you can receive an immediate tax benefit, rather than having to wait until you file next year's return. Certain requirements apply:

- * Only cash contributions made to these charities after Jan. 11, 2010, and before March 1, 2010, are eligible. This includes contributions made by text message, check, credit card or debit card.
- * The contributions must be made specifically for the relief of victims in areas affected by the Jan. 12 earthquake in Haiti.
- * You may deduct these contributions on either your 2009 or 2010 returns, but not both.

In addition, the general rules about tax deductions for charitable donations apply:

- * You must itemize your deductions on Schedule A; those claiming the standard deduction, including all short-form filers, are not eligible.
- * You must keep a record of any deductible donations you make.
 - o For donations by text message, a telephone bill will meet the requirement if it shows the name of the donee organization and the date and amount of the contribution.
 - o For cash contributions made by other means, be sure to keep a bank record, such as a cancelled check, or a receipt from the charity showing the name of the charity and the date and amount of the contribution.
- * Contributions to foreign organizations generally are not deductible.

Make sure your contribution goes to a qualified charity. Most organizations eligible to receive tax-deductible donations are listed in a searchable, online database available under Search for Charities. Some organizations, such as churches or governments, may be qualified even though they're not listed on IRS.gov.

Related Item: Publication 526, Charitable Contributions

The reference for this information can be found at
<http://www.irs.gov/newsroom/article/0,,id=218645,00.html?portlet=7>