

Bexar County Master Gardeners

SUBJECT: F-12 Donation Acknowledgement

POLICY: Bexar County Master Gardeners (BCMG) will provide timely and meaningful acknowledgment of donations received. BCMG will consult and comply with the current guidelines and requirements issued by the Internal Revenue Service (IRS), as outlined in IRS Publication 1771, Charitable Contributions and Disclosure Requirements.

BACKGROUND:

Acknowledgement and tax receipts are different. Acknowledgements are letters of appreciation and can be written and modified by BCMG to thank donors. They present an opportunity to thank donors in a meaningful way, deepen their connection and commitment, and to engage them further in the mission.

A tax receipt is a document that meets the requirements of the IRS regulations. The Donations Manager should review the most current IRS regulations to ensure the tax receipt contains all required information for the level of donation.

PROCEDURE:

BCMG will automatically send acknowledgements for \$50 or more as soon as possible after receipt of the donation. Tax receipts for amounts under \$50 will be sent upon request. Due to the importance of IRS requirements both for the donor and BCMG, all donation information should be provided to the Donations Manager for documentation of receipt that will comply with legal requirements, as required, and serve as internal documentation.

The acknowledgement letter will also serve as the tax receipt.

Acknowledgement letters/tax receipts may be issued by mail or electronically. If the donation is designated for a specific purpose, then that should be confirmed in the document. The acknowledgement letter and/or tax receipt may be drafted by Donations Manager but is always signed by the President of the Board or issued from the President's email or Board email address. Non-cash donations must be discussed and approved by the Board of Directors.

RATIONALE:

BCMG will acknowledge donations received to demonstrate the organization's appreciation and an affirmation that the donor has made a worthwhile investment in the mission of the organization.

This policy provides an obligation for BCMG to meet the requirements of IRS regulations for providing donors with documentation of receipt of charitable donations (tax receipt), as required.

DATE APPROVED: 11 February 2021

DATE REVIEWED: