

Treasury Inspector General for Tax Administration (TIGTA)
Taxpayers Compliance – Reporting for Claiming Non-cash Charitable Contribution

1. Purpose

The Department of the Treasury is conducting an independent review of the Internal Revenue Service's (IRS) records to determine whether the IRS is complying with certain provisions contained in the Internal Revenue Code (I.R.C.). The Treasury Inspector General for Tax Administration (TIGTA), which is part of the Department of the Treasury but independent of the IRS, is charged with conducting these independent reviews of the IRS.

We plan to assess Internal Revenue Service (IRS) actions to ensure taxpayers are complying with the reporting requirements for claiming Noncash Charitable Contributions (Form 8283).

2. Methodology

We plan to contact tax exempt organizations that received non-cash contributions from individuals in Tax Year 2010. We selected statistically valid samples of non-cash contributions over \$5,000 on both paper and e-filed tax returns (750 tax returns). We plan to contact these qualified organizations to verify the receipt of the non-cash contributions reported on individual's tax returns. To confirm this information, we will need to provide tax return information to the qualified organization, such as, the individual's name, description of the donated items, date of donations, and amount of the non-cash contribution claimed on the tax returns.

3. Design

This voluntary survey should take approximately 15 minutes to complete and will address the following concerning the organizations' noncash donations in which to confirm based on what they have claimed on IRS Form 8283, Noncash Charitable Contributions.

- Date item(s) received;
- Taxpayer (donor);
- Donated items, and
- Value claimed.

The survey will be conducted via a postal mailer and respondents are provided a pre-addressed, postage-paid envelope for return responses.

4. Estimation of Burden

The collection of information will involve completion of the voluntary survey provided to respondents, via a confirmation letter (mailer) based on a statistically valid sample of non-cash contributions over \$5,000 on both paper and e-filed tax returns. The average survey will take approximately 15 minutes to complete. From the 750 tax returns, 300 confirmation letters will be mailed. Respondents are asked to return the survey in the postage-paid envelope provided. Treasury anticipates a 40% response rate of 120 confirmation letters returned. Therefore, the total estimated burden for this survey is 30 hours.

No. of Mailer	300
No. of Respondents	120
Hours Per Response	0.25 hr. (15 minutes)
Total Estimated Burden	30