

SUPPORTING STATEMENT
Substantiation of Charitable Contributions
TD 8002
OMB #1545-0754

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

For taxable years beginning after December 31, 1982, the final regulations require a corporate or individual tax-payer making a charitable contribution of money to keep a cancelled check, a receipt, or in the absence of a cancelled check or receipt, other reliable written records showing the name of the donee, the date of the contribution, and the amount of the contribution. This information will have to be stated in the taxpayer's income tax return if required by the return form or its instructions. A letter or other communication from the donee acknowledging receipt of the contribution and showing the date and amount of the contribution would constitute a receipt. The reliability of the other written records will depend on the facts and circumstances of a particular case but, in all events, the burden shall be on the taxpayer to establish reliability. Factors indicating that such other written evidence is reliable include, but are not limited to, the contemporaneous nature of the writing evidencing the contribution, the regularity of the taxpayer's recordkeeping procedures, and, in the case of a contribution of a small amount, any other written evidence from the donee charitable organization evidencing receipt of a donation that would not otherwise constitute a receipt under § 1.170A-13(a)(1)(ii).

Also, for taxable years beginning after December 31, 1982, the final regulations require a corporate or individual taxpayer making a charitable contribution of property other than money to have a receipt from the donee charitable organization and a reliable written record of specified information with respect to the donated property. A receipt must include the name of the donee, the date and location of the contribution, and a description of the property in detail reasonable under the circumstances (including the value of the property). An exception to the receipt requirement is provided in cases where the contribution is made in circumstances where it is impractical to obtain a receipt. In these cases, the taxpayer is required to maintain a reliable written record of specified information with respect to each item of donated property. The rules regarding the reliability

of the written records are similar to those previously explained. The information required must be stated in the taxpayer's income tax return if required by

the return form or its instructions.

Finally, for charitable contributions of property other than money for which the taxpayer claims a deduction in excess of \$500, the taxpayer is required to maintain additional records regarding the manner of acquisition of the property and the property's cost or other basis if it was held for less than 6 months prior to the date of contribution. For property held for 6 months or more preceding the date of construction, cost or other basis information should be maintained by the taxpayer if it is available.

2. USE OF DATA

The Internal Revenue Service will use this information upon examination to determine whether the taxpayer has taken a questionable position on his or her tax return with regard to claims for charitable contributions.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS Publications, Regulations, Notices and Letters are to be electronically enabled on an as practicable basis in accordance with the IRS Reform and Restructuring Act of 1998.

4. EFFORTS TO IDENTIFY DUPLICATION

We have attempted to eliminate duplication within the agency wherever possible.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

There are no small entities affected by this collection.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

If the IRS did not collect this information, the IRS will not be able to determine whether the taxpayer has taken a questionable position on his or her tax return with regard to claims for charitable contributions.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

There are no special circumstances requiring data collection to be inconsistent with Guidelines in 5 CFR 1320.5(d)(2).

8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

The notice of proposed rulemaking was published in the *Federal Register* on April 25, 1983 (48 FR 17616). No public hearing was held because none was requested. The final regulations were published in the *Federal Register* on December 31, 1984 (49 FR 50663).

In response to the *Federal Register* noticed (81 FR 60407) dated September 1, 2016, we received no comments during the comment period regarding TD 8002.

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 USC 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

No personally identifiable information (PII) is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Under section 1.170A-13 of the regulations, itemizers who claim deductions for contributions on Schedule A (Form 1040) and Form 1120 filers are required to keep records in order to complete their returns and to substantiate their deductions upon examination. We estimate that approximately 26 million itemizers will claim charitable contribution deductions for contribution of money and property and that it will take .083 hours to maintain the records. The total recordkeeping burden for itemizers is 2,158,000 hours.

Estimates of the annualized cost to respondents for the hour

burdens shown are not available at this time.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no start-up costs associated with this collection.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

There are no known annualized costs to the federal government.

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. We are making this submission to renew the OMB approval.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis and publication.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

We believe that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the regulation sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement for this collection.

Note: The following paragraph applies to all of the collections of information in this submission:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax

returns and tax return information are confidential, as required
by 26 U.S.C. 6103.