

## H&R Block: There's Still Time to Donate in 2008

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### Act Now to Maximize Deductions

KANSAS CITY, MO, Dec 29, 2008 (MARKET WIRE via COMTEX News Network) -- Each year, millions of Americans overpay their taxes by not claiming the full value of their charitable donations. And with only a few days left in 2008, it is important to complete and document all donations given before Dec. 31.

"Not only does giving feel good, but it can also positively impact one's tax return," says Amy McAnarney, executive director of The Tax Institute at H&R Block (NYSE: HRB). "Provided that taxpayers document their donations and itemize them on their returns."

When making monetary contributions, remember that a receipt from the charity or a bank record is required to claim a deduction. If the donation is more than \$250, the taxpayer must have written acknowledgment from the charity as well. Monetary contributions include amounts donated to a charity in the form of cash, check, credit card or payroll deduction.

Keep in mind, taxpayers can't deduct the value of time spent on charitable work as a charitable donation but can deduct many out-of-pocket expenses such as supplies, food and mileage. The mileage deduction is 14 cents per mile. Be sure to document your mileage and get acknowledgment from the charity.

For 2008 and 2009, taxpayers who are at least 70 1/2 have the option of transferring up to \$100,000 of IRA funds to qualified charities. Although they cannot claim a charitable deduction, the "qualified charitable distribution" is not taxable and meets required minimum distribution needs.

Other useful charitable deduction information:

- Deduct the fair market value of donated property such as clothing, sporting goods, household items and furniture.
- Fair market value is based upon what one would typically pay in a used goods store such as a thrift store. IRS Publication 561 and H&R Block's DeductionPro software can help determine an item's fair market value.
- Used items must be in good condition in order to deduct them.
- Taxpayers that donated noncash items with a total value of more than \$500 must file Form 8283 with their tax return. Any item valued more than \$5,000 requires a qualified appraisal as well, unless it is stock traded on an open market such as the NYSE.
- The tax deduction for charitable contributions is generally limited to 50 percent of an individual's adjusted gross income. Different limits apply to donations of stock and other appreciated property. Check IRS Publication 526 for more information.
- Special rules apply to the donation of vehicles.

For more information about charitable donations, visit [www.hrblock.com](http://www.hrblock.com) or call 1-800-HRBLOCK for the nearest retail location.

For year-round tax information, visit [www.digits.hrblock.com](http://www.digits.hrblock.com).

About H&R Block

H&R Block Inc. (NYSE: HRB) is the world's preeminent tax services provider, having served more than 400 million clients since 1955 and generating annual revenues of \$4.1 billion in fiscal year 2008. H&R Block provides income tax return preparation and related services and products via a nationwide network of approximately 13,000 company-owned and franchised offices and through TaxCut(R) online and software solutions. The company also provides business services through RSM McGladrey. For more information visit our Online Press Center at [www.hrblock.com](http://www.hrblock.com).

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