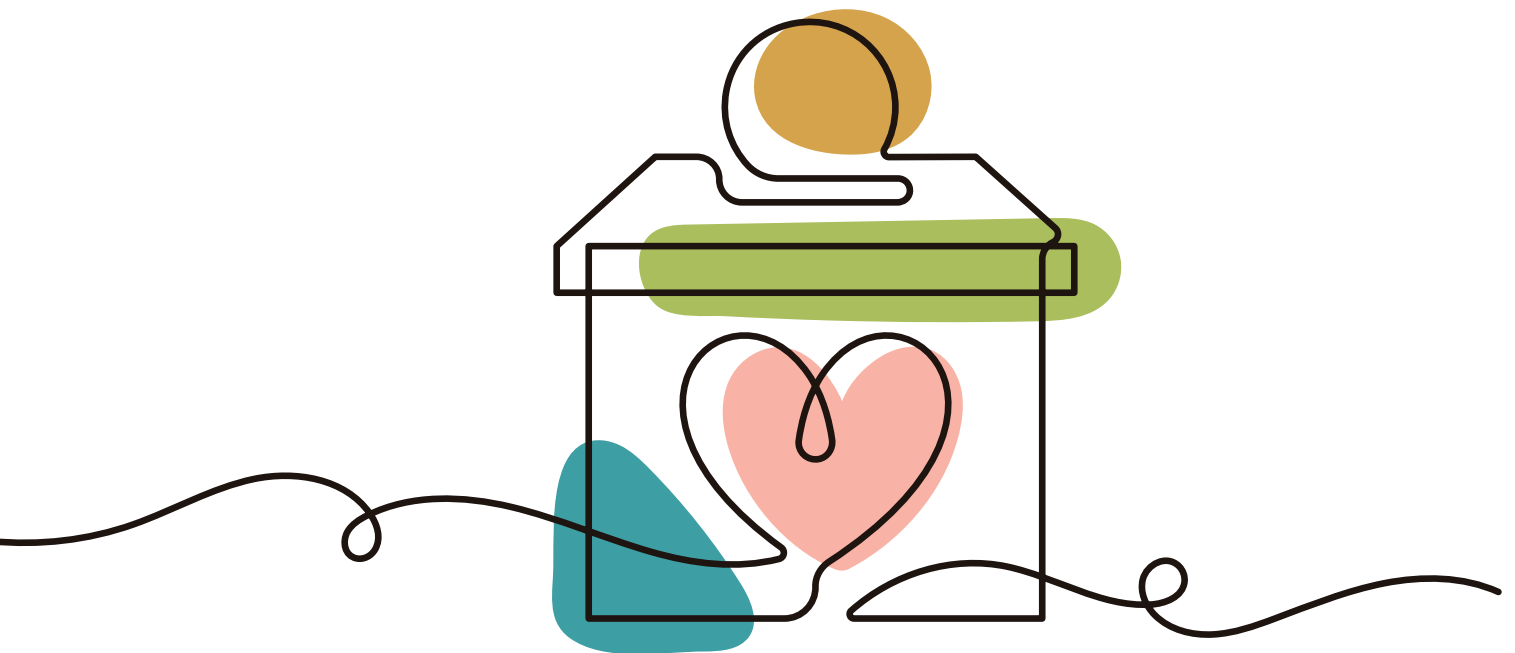


CHARITABLE CONTRIBUTIONS

**YEAR-END GIVING REMINDERS
FOR 2025 TAX RETURNS**



ChurchLaw&Tax
LEAD YOUR MINISTRY WITH CONFIDENCE

Charitable Contributions Tax Reminders

Richard Hammar answers 7 common questions about reporting charitable contributions when filing your 2025 taxes.



RICHARD HAMMAR, a graduate of Harvard Law School, is a retired attorney and certified public accountant specializing in legal and tax issues for churches and clergy. He is co-founder and senior editor for Church Law & Tax.

1 If I make a contribution in early January 2026, can I claim it on my 2025 taxes?

No, charitable contributions must be claimed in the year in which they are delivered.

Example: Mary writes a check to her church on December 31, 2025, and deposits it in the church offering on Sunday, January 4, 2026. Her check is not deductible on her 2025 taxes. She can claim it on her 2026 tax return (assuming she otherwise qualifies).

2 If I mail my contribution in December 2025, but it doesn't reach my church until January 2026, for which year should I claim it?

On your 2025 tax return. A check that is mailed to a charity is deductible in the year the check is mailed (and postmarked), even if it is received in the next year.

Example: Mary mails a check to her church in December 2025 that is postmarked in 2025. Her church doesn't receive the check until January 2026. The check is deductible on Mary's 2025 tax return (assuming she otherwise qualifies).

3 I gave \$135 to my church when I registered for a spring retreat. Can I deduct that?

No, assuming you received benefits (e.g., lodging, meals, instructional materials) worth \$135 or more. Charitable contributions generally are deductible only to the extent they exceed the value of any premium or benefit received by the donor in return for the contribution.

4 Can I deduct the value of volunteer work I did for the church?

No, the value of personal services is never deductible as a charitable contribution.

However, unreimbursed expenses you incur in performing services on behalf of a church may be. For 2025, if you accurately tracked your miles, you can use a "standard mileage rate" (14 cents per mile) to compute a deduction for any miles you drove in performing services for your church. If you didn't, be sure to accurately track miles in 2026. Be sure to maintain accurate records.

Example: John is an electrician and donates 10 hours of time to his church's construction project. He cannot deduct the value of his donated labor, but he can deduct the value of materials he purchased in performing the donated labor and any unreimbursed travel expenses he incurred and documented.

Example: Several church members go on a short-term missions project to another country. The value of their labor is not deductible, but they can deduct their unreimbursed travel expenses (i.e., transportation, meals, lodging) incurred and documented in performing the project.

5 Is there any limit to the amount of cash contributions I can deduct on my taxes?

Yes. A charitable contribution deduction for cash contributions to a church cannot exceed 60 percent of a donor's adjusted gross income (AGI). Other limits apply to noncash contributions.

Key point. The One Big Beautiful Bill Act, enacted July of 2025, institutes two changes for charitable contribution deductions starting January 1, 2026: (1) Taxpayers who do not itemize deductions will be entitled to a deduction of \$1,000 for single filers (\$2,000

for married filing jointly) for qualifying cash charitable contributions. (2) Taxpayers who itemize deductions will only be able to deduct contributions in excess of a floor of 0.5 percent of their adjusted gross income (AGI). Donors who itemize especially should note these changes, since they may want to accelerate giving plans to occur before the end of 2025 before the floor takes effect—and also may want to contemplate “bunching” donations in future years after the floor takes effect. Similarly, church leaders should note the possible temporary influx of giving from donors who itemize that may occur before the end of 2025.

6 I designated my contribution to the church benevolence fund. Is it deductible?

That depends. “Restricted contributions” are those made by a donor to a church for a specified purpose. If the purpose is an *approved project or program* of the church, you can deduct the contribution (if you claim itemized deductions on Schedule A of Form 1040).

If you designate a \$100 gift to the church benevolence fund, it is deductible, unless you specify that your contribution be applied to a named individual; then no deduction is allowed.

Contributions to a church or missions agency that designate a particular missionary may be tax-deductible if the church or missions agency exercises full administrative control over the contributions and ensures that they are spent in furtherance of the church’s tax-exempt purposes.

7 What kind of records do I need in order to prove I made a contribution?

For individual cash contributions (regardless of amount):

You can’t deduct a cash contribution, regardless of amount, unless you keep one of the following: (1) A bank record (such as a canceled check, bank statement, or credit card statement) that shows the name of the church, the date of the contribution, and the amount of the contribution; (2) a receipt (or a letter or other written communication such as an email) from the church showing the name of the church, the date of the contribution, and the amount of the contribution; or (3) payroll deduction records (see *IRS Publication 526*).

For individual contributions (cash or property) of \$250 or more: You must receive a *contemporaneous written acknowledgment* from your church that includes

the church’s name; the date of the contribution; the amount of any cash contribution; a description (but not the value) of non-cash contributions; and one of the following: (i) a statement that no goods or services were provided by the church in return for the contribution (other than certain token items) if that was the case; (ii) a statement that goods or services that a church provided in return for the contribution consisted entirely of “intangible religious benefits”; or (iii) a description and good-faith estimate of the value of goods or services other than intangible religious benefits that the church provided in return for the contribution. If the only benefit you received was an intangible religious benefit (such as admission to a religious ceremony) that generally isn’t sold in a commercial transaction outside the donative context, the acknowledgment must say so and doesn’t need to describe or estimate the value of the benefit. See *IRS Publication 1771* for examples of acceptable written acknowledgments.

The church may either provide separate acknowledgments for each single contribution of \$250 or more or one acknowledgment to substantiate several single contributions of \$250 or more. Separate contributions are not aggregated for purposes of measuring the \$250 threshold. It isn’t necessary to include the donor’s Social Security number on the acknowledgment.

For the written acknowledgment to be considered contemporaneous with the contribution, a donor must receive the acknowledgment by the earlier of the date on which the donor actually files his or her individual federal income tax return for the year of the contribution, or the due date (including extensions) of the return. If you’ve made individual contributions of \$250 or more, don’t file your federal income tax return until you receive a written acknowledgment from your church that satisfies these requirements. Otherwise, your contributions may not be deductible.

For non-cash property valued at \$500 or more: Other rules apply (see the instructions to IRS Form 8283). If the value is more than \$5,000, you must obtain a qualified appraisal of the property from a qualified appraiser and attach an “appraisal summary” (IRS Form 8283) to the tax return on which the contribution is claimed. Some exceptions apply.

For donations of cars, boats, or planes: Special rules apply to donations of cars, boats, and planes. See *IRS Publication 1771* for details.