



Information about Tax Benefits for Contributions to Haiti Earthquake Victims

Last week President Obama gave a tax incentive to those considering making charitable donations to Haiti earthquake victims. The new law, enacted on January 22, 2010, allows individuals who make cash donations to victims of the January 12th disaster to claim deductions for the 2009 tax year. (Typically, charitable contributions may be deducted only for the tax year in which the donations were made.) The deduction applies only to Haitian relief contributions made after January 11, 2010 and before March 1, 2010.

Here are a few things to consider before claiming your deduction:

- You may elect to claim your deduction in 2010, if you choose to do so; however, you may not claim a deduction for both the 2009 and 2010 tax years.
- Eligible contributions may be made via cash, credit/debit card or text message.
- The IRS required a bank record or written acknowledgment from the charity before filing your return. Taxpayers who donate via text message may provide phone bills as proof of donation if it includes the name of the charitable organization and the date and amount of the contribution.
- Contributions made directly to foreign organizations are generally not tax deductible and must be made to qualified charities.

For questions or more information, please do not hesitate to contact the tax professionals at Beall Barclay at our Fort Smith office at 479-484-5740 or our Rogers office at 479-636-4461.

Sincerely,

Beall Barclay