

## Tax Deductible Charitable Donations to Conservation Districts under IRS Code Section 170

Conservation Districts can receive tax deductible charitable donations as a political subdivision of the State of Washington without having to form a separate 501c3 non-government, non-profit organization.

### Authorizations:

**Title 26 USC (Internal Revenue Code) – Section 170(a)(1)** allows charitable contributions to be claimed as a deduction to qualifying organizations, which includes Conservation Districts

#### **Revised Code of Washington 89.08.020**

"District", or "conservation district" means a governmental subdivision of this state and a public body corporate and politic..."

### Qualifications:

**Types of Qualified Organizations under IRS Title 26 USC -Section 170(c)(1) 5.** "The United States or any state . . . a political subdivision of a state ... " On Page 3 of the IRS Publication 526 (2007) the reference is "The organization must meet tests that are essentially the same as the tests that qualify U.S. organizations to receive deductible contributions.

You will need to inform the charitable donor that your conservation district meets these tests and are qualified to receive tax deductible donations, but the easier method is to have a letter of government affirmation letter from the IRS to share with donors.

### Government Affirmation Letter:

Government entities should be able to request a government affirmation letter by calling 1-877-829-5500.

If you call the IRS make sure the person you are talking with understands that your Conservation District is a political subdivision of the state created under RCW 89.08.

### References:

See IRS Publication 526 (2007) for details which explain charitable contributions and which contributions are deductible and the organizations that are qualified to receive deductible donations. The IRS web address is [www.irs.gov](http://www.irs.gov), then use the search for Publication 526 and/or search for Title 26 – Section 170.

### Benefits & Considerations:

Being able to receive tax-deductible donations of labor, cash, equipment, and materials, and property can greatly enhance your conservation district's capacity to deliver conservation programs valued by land managers.

Time invested in contacting IRS for your affirmation letter will be well spent. Time spent as Supervisors and staff identifying specific needs of your district for potential charitable donations could yield the equipment, funding, labor and property that you have been searching for to increase capacity.

Many donors are familiar with tax deductible donations to non-profit 501(c)(3) organizations. Few donors are familiar with making tax deductible donations to a governmental entity. It may take time to describe that their donation is just as tax deductible as to a 501(c)(3) organization. Do not be surprised to find that some donors will want to check with their accountants and legal counsel before donating to your conservation district.

### Questions:

Contact your WSCC Regional Manager