

Income Tax Deduction Rules for Charitable Gifts by Individuals

Annual Limit	Description
50% of contribution base	50% of contributions to public charities, certain private foundations and governmental units. These contributions are taken first in the order of contributions.
30% of contribution base	30% of contributions to certain other private foundations and charitable organizations. These contributions are taken after those to 50% charities. This limit can be used if 50% limit of tax year is not used.
More than 20% of contribution base (additional limits for capital gains property)	Deduction is subject to 30% and 20% limitations if one contributes certain appreciated capital gain property. For contributions to 50% charities, deduction is limited to 30% of contribution base; for certain 30% charities, the limit is 20% of contribution base.
"For the use of" contributions	Deductions "for the use of" contributions are limited to: the lesser of 30% of the annual contribution base or 50% of the contribution base minus the deductible contribution to 50% charities.
Contribution base	Typically, adjusted gross income for the year.
Order of calculations for deduction	Contributions can be deducted until annual limit is reached. 1) Deduct 50% charity limit (deduct 30% capital gains property limit if annual limit isn't reached). 2) Deduct 30% charity limit. 3) Deduct 20% capital gains property limit from remaining annual limit (if any).
Carryovers	Excess contributions can carry over for each of five years after the year of actual contribution. Carryovers are deducted. 1) Actual gifts made to 50% charities are deducted. 2) 50% charity carryovers are deducted (if annual limit isn't used up, actual 30% charity gifts are deducted. 3) 30% charity carryovers are deducted.
Amount Deductible	Kind of Property
Full value	Cash or check, long-term stocks, and most other long-term capital assets.
Donor's basis	Short-term stocks or other short-term assets, inventory and ordinary income property, long-term capital assets of tangible property not related to charitable purpose of charity, and long-term assets to certain 30% charities.