



## Tennessee Technological University Foundation Gift-In-Kind Guidelines

The Tennessee Tech Foundation welcomes gift-in-kind donations that help to support the Foundation's mission. Through gift-in-kind donations, supporters help TTU strengthen programs to provide the best possible educational experience to our students. Unlike contributions of cash or securities, in-kind gifts allow donors to receive the benefit of a charitable contribution without drawing on their cash reserves.

Gifts-in-kind are tangible personal property (other than real property) that is subject to personal ownership. Examples can include personal collections of art, books, coins or movies; cars, boats, and aircraft; animals, such as livestock; equipment; software; printed materials; and food or other items used for hosting dinners. Such property may include gifts donated for purpose of being auctioned at charity fundraising events (TTU Foundation Policy No. F005). In accordance with Internal Revenue Service (IRS) regulations, donations of time, professional services, or partial interest gifts (examples: hotel stays, admission tickets, vehicle or property leases, etc.) are not deductible.

The following steps are involved in the process of donating a gift-in-kind:

- The university must determine whether or not it has a need for the gift
- Prior approval must be received by the department involved with the acquisition
- The value of the gift must be determined (itemized receipt, appraisal or statement of value)
- The staff member, using the Gift-in-Kind form, must record all preliminary information and submit the form to University Advancement
- If the gift is equipment and valued at \$5,000 or more, the gift will need to be recorded for inventory purposes
- A charitable donation tax receipt will be issued by University Advancement

University Advancement reserves the right to decline any gift that does not further the university's mission or involves special maintenance or other conditions the university would be unable to satisfy. Generally, food and meals for student organizations and teams are permissible (see the Gift-In-Kind Meals & Alcohol Form for more information). Donations where the donor or staff member(s) receive a tangible benefit, such as a meal or gift, will not be considered. Donations of alcohol require a detailed explanation to be considered.

The donor is responsible for arranging to deliver the gift, any appraisal, and compliance with IRS requirements.

In accordance with IRS regulations, the donor is responsible for determining the value of an accepted gift. Before presenting a gift of tangible property to TTU, donors should first establish the fair market value of the gift. An appraisal from a recognized independent appraiser is needed for items valued at \$5,000 or more. University personnel are not qualified appraisers, and federal regulations do not permit the university to give appraisals or estimates of value. Generally, the fair market value of a gift-in-kind is deductible.

- If the value of a gift is \$500 or more, the IRS requires donors to file IRS Form 8283 and comply with its regulations pertaining to non-cash charitable contributions
- If the donation is valued at more than \$5,000, the donor must obtain a qualified appraisal and submit an appraisal summary with the return claiming the deduction
- Specific IRS rules exist for contributions of vehicles, boats, and airplanes that may limit the donor's charitable deduction

The summary above is based on IRS publications and provides basic guidelines regarding tax deductions for gifts-in-kind. This summary is not intended to serve as a complete account of the requirements or limitations covering tax-deductible gifts. TTU Foundation recommends that donors consult their tax advisor when considering gifts-in-kind.