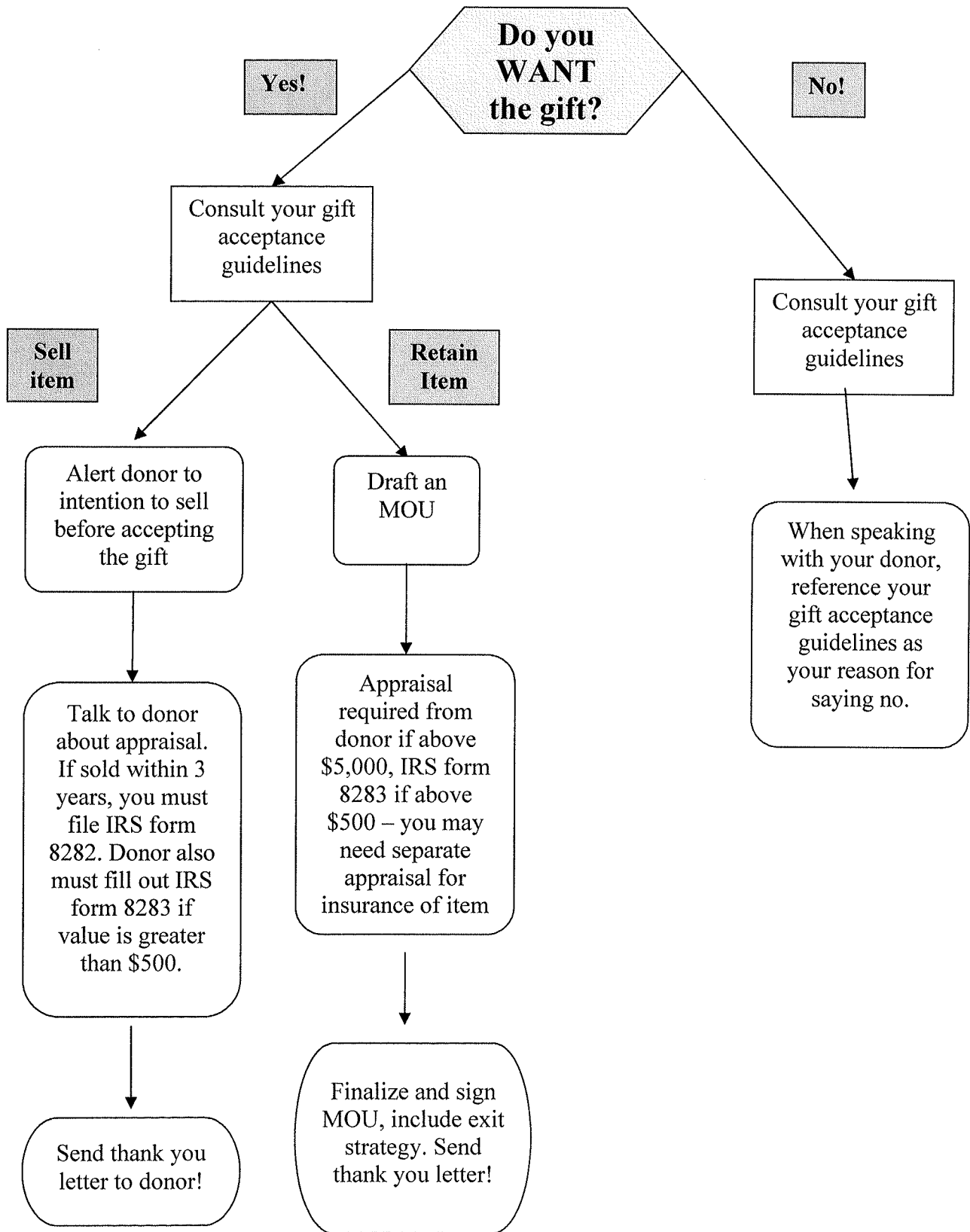


Accepting Gifts of Tangible Property



Deduction Amounts & Percentage Limitations

Charitable Income Tax Deduction Rules for Individual Taxpayers

Type of Property Contributed	Type of Charity Receiving Contribution			
	Public Charities		Private Foundations	
	Deemed Amount of Deduction	% of AGI Limitation	Deemed Amount of Deduction	% of AGI Limitation
Cash	Actual Dollar Amount	50%	Actual Dollar Amount	30%
Appreciated ordinary income property; or appreciated short-term capital gain property (e.g., securities and real estate held for one year or less)	Donor's cost basis	50%	Donor's cost basis	30%
Appreciated long-term capital gain property (e.g., securities and real estate held for more than one year)	Full market value	30%	Donor's cost basis (exception: publicly traded securities are FMV)	20%
Appreciated long-term tangible personal property to be used by charity (e.g., instruments, art, etc.) - "related use"	Full market value	30%	Donor's cost basis	20%
Appreciated tangible personal property put to unrelated use by charity (e.g. boats, cars) or "related use" personal property gifts owned for one year or less	Donor's cost basis	50%	Donor's cost basis	20%

DRAFT!!!

Memorandum of Understanding

<NAME/DESCRIPTION OF TANGIBLE ITEM>

I. Establishment

<Name/description of item> was given by <donor name> through a <gift, bequest, etc.> on <date>.

II. Biography (optional at donor's request)

(Include a short [1-2 paragraph] biography of the donor and/or person for whom the fund is named. Include the honoree's class year [if any] and the names of any children or other close relatives who attended the university.) Base the biography on what you know about the person or can quickly glean from a conversation with the donor.)

Example:

Renee Kurdzos graduated from the University of Puget Sound in 1952. She also worked for the University for several years in the development office.

Renee left her grand piano to the university in her will because of her involvement in the Adelpian Concert Choir. Renee enjoyed her time as an Adelpian and felt her experience in the choir was a key to her success.

III. Purpose of Item

The grand piano is in excellent condition, having been inspected by the Chair of the School of Music. It will be used in one of the School of Music's teaching rooms.

IV. Signage

(This section is for outlining the signage to accompany the tangible item.)

Example:

A plaque with the inscription "In Memory of Renee Kurdzos" will be placed on the wall next to the grand piano in the teaching room.

V. Amendment

If the Trustees determine that the purpose for this <name/description of tangible item> is no longer practical or feasible, they may designate an alternate related purpose for this <name/description of tangible item> or sell the <name/description of tangible item>.

