

## Some points to keep in mind when completing the In Kind Gift Form:

- **Donor Name** – the name of the entity that will also be claiming the charitable contribution on a tax form. If it is a business gift, indicate the name of the business here. If it is a personal gift, indicate the name of the individual.
- **Contact** – the name of a person knowledgeable about the gift. All business donors should indicate the name of someone within the organization who can answer any questions that may arise about the contribution.
- **Description of Gift** – include brand names, sizes, number of items, model year, quantities, etc.
- **Estimated Value** – the fair market value at the time of the contribution as determined by the donor.
- **Federal ID#** - IRS requires federal ID numbers or social security numbers for all **donated contributions** valued at \$500 or more.
- **Contributions of used vehicles must include a signed title document.**

The above information is provided to answer frequently asked questions regarding gifts in kind and is not intended to provide professional tax advice. Please contact your tax or legal advisor or the IRS for additional charitable contributions guidelines.



For more information about gifts in kind to the NTC Foundation, contact:

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The logo for the Northcentral Technical College Foundation, identical to the one in the middle of the page, positioned in the top left corner of the right-hand page.

Northcentral Technical College  
**FOUNDATION**  
Nurturing Individuals. Growing Communities.

## Non-Cash Charitable Contributions

A quick reference guide to what can, can't and should be done when making a gift in kind to Northcentral Technical College (NTC) and the NTC Foundation.



ntc.edu

## What is a Gift in Kind?

A gift in kind is any property that is contributed to the NTC Foundation for use by the Foundation or, as in most cases, Northcentral Technical College. "Property" includes vehicles, real estate, business inventory, equipment, livestock, supplies, clothing or household items. Donors of gifts in kind can generally receive a tax deduction equal to the fair market value of the property at the time of the contribution.

## What is Not A Gift in Kind?

Donors cannot deduct as a charitable contribution any gift to a specific individual, the value of their time or services or contributions from which they may benefit.

*Example:* A donor cannot purchase textbooks to give to a particular student of their choosing.

*Example:* A carpenter volunteers to build a picnic shelter on the campus. The cost of the materials is deductible but the cost of the carpenter's time to construct the building is not.

## Determining Fair Market Value

It is the **responsibility of the donor** of a gift in kind to provide the fair market value (FMV) of the property at the time it is donated. Fair market value is the price that property would sell for on the open market. If a restriction is placed on the use of the property donated, the FMV must reflect that restriction. The FMV of the gift is determined based on the condition of the property on the date the contribution is made.

The FMV of used clothing or household goods is usually much lower than the price paid when new. A deduction for used clothing or household goods cannot be taken unless they are in good used condition or better.

Most used vehicles donated to NTC are used for educational purposes in the automotive programs. They are not repaired and resold. Therefore, the FMV of a used vehicle may be determined at the time the contribution is made. Generally, the values assigned in the Kelley Blue Book are good benchmarks for determining the FMV.

For further assistance in determining FMV, consult IRS Publication 561, *Determining the Value of Donated Property* available on-line at [www.irs.gov](http://www.irs.gov).

## Procedure for Making a Gift in Kind at Northcentral Technical College

Before a gift in kind can be accepted by the NTC Foundation, an NTC faculty or staff member must determine that the gift is acceptable (i.e. of use) by the College. Proposed gifts that are not usable by the College will not be accepted.

*Example:* Donations of out-dated equipment that is no longer relevant to the current curriculum and has no re-sale value would not be acceptable.

Any potential liability or costs associated in accepting the gift must also be determined before the gift is accepted. The Foundation and/or the College must accept the associated costs or potential liability before accepting the gift.

Donors must complete the NTC Foundation In-Kind Gift Form as indication of the offer of the gift. The form is available at [www.ntc.edu/foundation/howtogive.htm](http://www.ntc.edu/foundation/howtogive.htm)

