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## FINANCIAL FOCUS



Lane Gorman Trubitt, L.L.P.  
Accountants & Advisors

*Your Accounting for a New Economy*

## Helping Haiti in 2010

## Can Get You a Tax Deduction in 2009

In an effort to boost charitable donations benefiting victims in areas affected by the January 12th earthquake in Haiti, President Barack Obama signed a provision into law that allows Taxpayers who itemize their 2009 deductions to claim a charitable contribution deduction for donations made between January 11th and March 1st.

If you have considered making a charitable donation to Haiti relief you should do so before the March 1st 2010 deadline. Making a donation before March 1st will provide you the flexibility to take advantage of the tax benefits of your charitable giving donation in either 2009 or 2010. You are then able to take the deduction in whichever year produces the greatest tax savings.

However, in order to be eligible for the tax savings under the new law you must itemize your deductions on Schedule A. Taxpayers who take a standard deduction, including short-form filers, will not be able to take advantage of this special tax relief.

Additionally, in order for contributions to be eligible under the new law they must be made in cash, text message, check, debit or credit card. Donated property will not be eligible. The donations must also be made to qualified charities and specifically benefit the Haitian earthquake victims. The Internal Revenue Service maintains a database of most qualified charities on their website, [www.irs.gov](http://www.irs.gov). Contributions made to most foreign organizations are not deductible.

Substantiation requirements for donations made by text message have eased a bit. A telephone bill that shows the name of the organization that received the donation, that date of the contribution, and the amount will meet Taxpayer's record keeping requirements.

If you have any questions as to the eligibility of charitable donations under the new law do not hesitate to contact the tax professionals at Lane Gorman Trubitt, L.L.P. at 214.871.7500.