

EXAMPLE CHARITABLE TRIP LETTER FROM YOUTH WITH A MISSION SAN DIEGO BAJA (HOMES OF HOPE)

**Team members will receive this letter a few days after you get back from your trip with Homes of Hope.*

Dear *Name*,

Thank you for coming on 3/22/2017 to participate in the charitable trip of building homes for the poor in *city*, Mexico. For US residents -- your unreimbursed travel, lodging and project expenses for you and your family can be deductible. In accordance with IRS regulations, this email serves to inform you that YWAM, San Diego/Baja did not provide you with any goods or services in consideration, in whole or in part, for the program fees and unreimbursed expenses you incurred as a result of your volunteer efforts.

Per IRS regulations, when your donation is greater than \$250.00, it is important you retain this email with other income tax records for the year to help support the deduction of expenses when your personal income tax is prepared. Always review this information with your tax advisor.

Please print out this email for your records, there is no attachment.

Thanks again for all your efforts of time and money you put into making YWAM, San Diego/Baja a success.

Sincerely,



Andrea East
Director of Development
YWAM San Diego/Baja
www.ywamsdb.org



Youth With A Mission

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DEDUCTING TRAVEL EXPENSES WHEN DOING CHARITABLE WORK

[Link to Original Article](#)

If you've done any charitable work over the past year you've likely put in time and money toward the cause. But what if you had to travel in order to volunteer? Are travel expenses to a charitable event deductible? This is a good question and one many volunteers don't think about. In some cases, yes, travel expenses related to volunteering can be deducted. But before you start adding up all the miles you should take a moment to understand what you can and can't do.

Charitable Travel

First, you have to know whether or not the organization you volunteered for was a qualified organization. No matter what you gave, be it time or money, the IRS only allows you to deduct when it's been given to a qualified organization. The good news is that most public and non-profit private organizations are qualified, but it is up to you to find out if you aren't sure.

Now when it comes to travel incurred while volunteering there are a few things to consider. First, the IRS says that generally you can claim a charitable contribution deduction for travel expenses necessarily incurred while you are away from home performing services for a charitable organization only if there is no significant element of personal pleasure, recreation, or vacation in the travel. The good news here is that most travel expenses will qualify, but keep in mind that you can't turn one way of volunteering into a week-long vacation with the family and expect to write off all the airfare and lodging costs.

Deductible Travel Expenses

Most common expenses related to travel are allowed. Here is what the IRS defines as deductible travel expenses:

- Air, rail, and bus transportation,
- Out-of-pocket expenses for your car,
- Taxi fares or other costs of transportation between the airport or station and your hotel,
- Lodging costs, and
- The cost of meals.

When it comes to using your own car for travel you can do one of two things. You may deduct the actual cost of gas used to get to and from the volunteer site, or you can deduct the IRS standard rate of 14 cents per mile. Unlike using your personal car for business, you cannot deduct expenses such as insurance, maintenance, or depreciation.

As always, it pays to keep detailed records regarding all expenses related to the trip. You may need to substantiate your expenses so keep a log of the miles driven, keep all receipts for meals and lodging, tolls or parking, and anything else related to your time volunteering.

Charitable Travel Your board members and other volunteers may qualify for a charitable deduction for any unreimbursed travel expenses they incur on behalf of your organization. Recently the Internal Revenue Service published tips for volunteers concerning the tax deductibility of charitable travel (IRS Summertime Tax Tip 2013-05, July 12, 2013). Those tips, which are summarized below, will help you to understand the availability of the deduction to your volunteers. We recommend that your volunteers consult a tax advisor for further information.

- To deduct the unreimbursed travel expenses, the travel must be for a qualified organization. (Most 501(c)(3) organizations that are current in their tax filings would be qualified.) Tell your volunteers if you are qualified and/or direct them to the IRS website where they can use the exempt organizations select check tool to see if the organization is qualified <http://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check>. Providing the charities employer identification number makes the search much faster.
- Travel expenses unreimbursed by the charity are deductible "only if there is no significant element of personal pleasure, recreation or vacation in the travel." This applies whether the expenses are paid directly or indirectly. Making a payment to a charity that in return pays the travel expense is an indirect payment. The deduction will not be denied simply because the volunteer enjoys the trip or enjoys providing services to the charity, but the primary purpose cannot be pleasure. A taxpayer that spends only a few hours working for the charity leaving most of the day free for recreation and sightseeing will not be allowed a deduction even if he or she works very hard during those few hours.
- The duties performed must be "genuine and substantial" throughout the trip. Enjoying an evening at the theater after spending the day at a charitable organization's regional meeting as a chosen representative, will not affect the deductibility of the expenses (as long as the taxpayer does not deduct the cost of the theater tickets).
- Deductible travel expenses may include; air, rail, and bus transportation or car expenses, lodging costs, cost of meals, and taxi fares or other transportation costs between the airport or bus/rail station and the hotel.
- The volunteer cannot deduct the value of their time or services, or the value of income lost while working as an unpaid volunteer. The cost of travel for spouses and children is not deductible.
- The volunteer must have adequate records to support their unreimbursed volunteer expenses.
 - a cancelled check or credit card receipt;
 - a receipt (or letter or other communication from the donee charity) showing the donee's name, contribution date, and contribution amount; or
 - when neither a cancelled check or receipt is available, "other reliable written records" showing the donee's name, contribution date, and amount.