

Donation-in-kind Form

Date: _____

Donor Name: _____

Address: _____

Postal Code: _____

Item donated: _____

Make: _____

Model: _____

Year: _____

Energy Source: _____

Horsepower: _____

Other details: _____

Please read the guidelines on the back side of this form for guidance with regard to accepting donations in kind for the Commons and for establishing Fair Market Value for the tax receipt.

Fair Market Value: _____

Please attach any relevant documentation.

Team accepting responsibility for donated item: _____

Signatures for receipt

(2 signatures that acknowledge the item is useful for the Commons and that the quoted fair market value is accurate)

1. _____

2. _____

(signature)

(print)

Accepting Donations in Kind for the Commons: Donations in kind are gifts of equipment or material that can be put to immediate use by the Commons. We do not want unused equipment to take up storage space. We do not want to accept donations in kind for resale. We might accept donations of building material if it is for an approved project and will be used within the next year or so.

In general, only accept equipment that is in good working order. In some special cases the Commons may wish to accept the risk of accepting non-functioning equipment and bearing the cost of repair. If this course of action is being contemplated, the net benefit to the Commons must be immediate and substantial

Both people signing should agree on the utility of the gift and on the Fair Market Value. They should also agree on which team will take responsibility for storing and using the donation.

Fair Market Value (FMV): Donations in kind receive a charitable tax receipt from the Gabriola Commons Foundation, and the bookkeeper needs to enter the donation into our accounting system. Given the paperwork involved, we suggest that donation receipts not be issued for items with FMV worth less than \$50.

FMV is the price which the item could be sold for in an arms-length transaction at the time of donation. If it is relatively new, a sales receipt would set an upper limit for FMV. If the item is older than one year, a substantial discount should be applied to the purchase price when determining FMV. If it is possible to establish the value of an item in the second-hand market (e.g., a similar item on Craig's List), that is a good estimate of FMV.

In many cases, establishing FMV is an educated guess. Imagine what you personally would pay for such an item, and ask yourself whether that price is also fair to the donor.