



## Frequently Asked Questions

### **Is Mirehaven Gives Back a 501(c)3 organization?**

Yes. As of August 4, 2022, MGB was granted 501(c)3 status by the IRS. Also, in order to be selected as a beneficiary of MGB's fund-raising efforts, the recipient organization must also be a 501(c)3 organization.

### **What percentage of the money collected by MGB is donated to the Charity of Choice?**

Except for expenses related to fundraising, all monies collected by MGB go to the selected annual nonprofit.

### **What types of "Expenses" are paid out of my donation dollars?**

Some examples of expenses paid from donations are: credit card fees, annual regulatory reporting fees, accounting fees, website fees, postage, and fees for musical performers. Please refer to the P&L statement for details. However, many other expenses are paid for by donations from Planning Committee volunteers or residents of the Del Webb Mirehaven Community, including: baked goods for sale at events, miscellaneous office supplies, bingo cards, gift cards, and event supplies such as tablecloths, decorations, food, etc.

### **I need a letter for tax purposes.**

Your monetary donations to MGB, which includes tickets to events and other qualifying donations, may be acknowledged in writing to you in January of the next calendar year. Donations made by check and/or credit card which exceed an aggregate annual total of \$75 or more per donor will receive a written acknowledgement. Aggregate annual donations totaling \$75 or less will be acknowledged only upon request. Refer to [IRS tax topic #506](#) on charitable contributions for more information. Consult your tax professional if you have more questions.

### **Is my donation, or purchase of, an auction item tax deductible?**

The IRS has specific rules regarding charity auctions. In summary, they say that for tax purposes, the donor of the item(s) cannot deduct the fair market value of the item. They are limited to deducting their cost basis of the item(s). The purchaser or winning bidder of items can deduct anything paid OVER the fair market value (FMV) of the item that was listed or announced, if they were aware that the value of the item was less than they paid for it.

As an example:

*A painting is donated by the artist. It cost the artist \$50 in supplies but would normally sell for \$1,000. The fair market value that should be listed is \$1,000. If a purchaser pays \$1,250 for the item at a charity auction, \$250 of their purchase is*



*tax-deductible. The artist can only deduct \$50 as that was their cost for production.*

Please refer to the IRS article on charity auctions ([Charity Auctions | Internal Revenue Service \(irs.gov\)](#)) and consult with your own tax professional for advice.

**Can I see the financial documents for last year?**

Yes. See our Profit & Loss and Balance Sheet on the Mirehaven Gives Back web site. If you would like to see other financial documents, please email [mgbdollars@gmail.com](mailto:mgbdollars@gmail.com) with your request.

**What if I have other questions about MGB finances?**

Send an email to [mgbdollars@gmail.com](mailto:mgbdollars@gmail.com).