

There are many reasons for your company to get involved in STEM activities:

- Help build a technologically literate work force
- Provide renewed inspiration to company engineers and employees
- Provide rich employee volunteer opportunities
- Strengthen company reputation in the community
- Provide employee team building and training opportunities and increase positive feelings

In addition to some of the more altruistic reasons stated above, there may also be tax advantages.

### Potential Tax Advantages\*

\* ECIA recommends that you seek advice from your tax professional to ensure accuracy to your particular situation.

### Cash donations

Money donated to qualified organizations for use in their operations is generally tax deductible. FIRST® is a 501(c)(3) Public Charity and donations to FIRST® are tax deductible to the extent provided by current IRS tax laws and regulations (EIN # 22-2990908).

### Noncash donations

Charitable contributions do not have to be made via money. While more complex, a donor can usually also report a deduction for inventory or property given to a qualified organization.

With these other types of property, the amount deductible can depend on a variety of items, including:

1. Type of property – there are special rules for a variety of items (including but not limited to cars, boats, airplanes, etc.)
2. Whether the property has depreciated appreciated in value
3. Whether the property is ordinary income property or capital gain property
4. How the property is used by the qualified organization

With inventory, the deduction is generally the historical cost/basis of the items given. With other types of property, the deduction is generally either the historical cost/basis or fair market value of the items given. To obtain a tax benefit for a noncash gift deduction with a value of more than \$500, an [IRS form 8283](#) must be filed. Form 8283 is filed by individuals, partnerships, and corporations.

### C corporations

C corporations, other than personal service corporations and closely held corporations, must file Form 8283 only if the amount claimed as a deduction is more than \$5,000.

### Partnerships and S corporations

A partnership or S corporation that claims a deduction for noncash gifts of more than \$500 must file Form 8283 with Form 1065, 1065-B, or 1120S.

The documentation required regarding the gift of property depends on the amount of the deduction. For a deduction over \$5,000, a qualified written appraisal of the donated property is generally required.

## FIRST® Recognition

To gain maximum exposure from FIRST® for your contribution, complete the [FRC® Supplier Recognition Report](#). The information requested will be used to confirm and clarify your organization's Supplier Level and ensure that your listing and contact information are accurate for recognition materials, correspondence, invitations, etc. You may want to have your financial professional review the [IRS Form 8283](#) and its instructions to declare non-cash contributions.

Each year, your company will be asked to declare the total value of the InKind Contribution (InKind Donation = that which was paid or given in goods, commodities, or services instead of money).

The following list includes examples of appropriate components to this calculation:

- Donated product
- Donated shipping
- Donated services
- Philanthropic component to pricing extended to

FIRST® (i.e. you would have charged someone else ordering the same thing \$5,000, but you're only charging FIRST® \$1,000, the InKind contribution is \$4,000).

## Donations to FIRST®

"Your generous donation to FIRST will help ensure thousands of students have access to the unique learning experiences we offer through our programs."

- FIRST® website



For the ninth consecutive year, FIRST® has achieved a 4-star rating from Charity Navigator for consistently executing its mission in a fiscally responsible way. This rating places FIRST in the top 1% of all charities evaluated by Charity Navigator.

- [FIRST® Fundraising Disclosure Statement](#)

