

NEW FTLU CASE: Contemporaneous records are required for ANY contribution – cash or noncash – made to a charitable organization in excess of \$250 at one time. In *Van Dusen* (136 TC 515, 06/02/2011), T/P incurred unreimbursed expenses of \$12,068 as a volunteer for Fix Our Ferals (a 501(c)(3)) in Oakland, CA. Fix Our Ferals’ mission is “trap-neuter-return” feral cats in the Bay Area. During the years at question, T/P provided neutering and foster care to between 70 and 80 cats, including 7 that were her pets. She incurred mileage expenses, bought food, cat litter, paid vet bills, and (in some cases) cremation services. T/P used a paid tax preparer, who reviewed the support she had (including receipts) and told T/P she did not need to retain those records, so she threw them away. The Court allowed reconstruction of those expenses through credit card statements and bank card debit transactions, but, because Fix Our Ferals did not provide a written contemporaneous acknowledgement for any expenditure in excess of \$250 at one time, any expense more than \$250 was disallowed.

NOTE: Noncash contributions have been a favorite area for correspondence audits. We need to educate our clients about their recordkeeping responsibilities!