



GALLAGHER, FLYNN & COMPANY

◆ Tax Alert ◆

Issue #21 ~ January 22nd, 2010

Senate approves House passed bill allowing 2009 tax deductions for 2010 Haiti donations

[Dear GFC Client,](#)

On January 20th and 21st, the House and Senate unanimously approved House passed legislation (H.R. 4462) that allows taxpayers to make charitable contributions to Haiti relief programs before March 1, 2010 and claim those contributions on their 2009 income tax return. It includes a provision that allows phone bills as proof of text-messaged donations. The Senate had introduced a companion bill (S. 2936) but instead approved the House bill by unanimous consent. The President is expected to sign the bill into law immediately.

The bill would allow individuals who make charitable contributions to aid Haitian earthquake victims to elect to claim an itemized charitable deduction on their 2009 tax return (instead of having to wait until next year to claim the deductions on their 2010 tax return). The election would apply only to Haitian relief contributions made in cash after Jan. 11, 2010, and before Mar. 1, 2010. If the election is made, Haiti relief donations would be deductible on the 2009 return, not the 2010 return.

The bill also would relieve recordkeeping requirements for Haitian relief contributions. For these contributions, a telephone bill would satisfy the Code Sec. 170(f)(17) recordkeeping requirements if it shows the name of the donee organization, the date of the contribution, and the amount of the contribution.

There is precedent for this kind of legislation. In 2005, P.L. 109-01, was enacted to permit taxpayers to elect to claim a charitable contribution deduction in tax year 2004 for



donations made in January of 2005 for the relief of victims in areas affected by the Dec. 26, 2004, Indian Ocean tsunami.

Please contact [your GFC advisor in Burlington, VT at \(802\) 863-1331 or in Hanover, NH at \(603\) 643-0043](#) if you have any questions or comments.

