

**** TAX EXEMPT INFORMATION****

DUES AND OTHER CONTRIBUTIONS ARE TAX DEDUCTIBLE

Membership dues and other contributions to the FFA Alumni are eligible IRS deductions for the contributor when the support to the organization and its activities do not derive benefits of more than the nominal monetary value. As outlined in the FFA Alumni Constitution, the organization is designed to support and serve rather than to provide monetary benefits to its member's which normally means that contributions are tax exempt.

Personal charitable contributions, under the revised tax laws beginning 1987, may only be claimed as itemized deductions on Schedule A, Form 1040. Items that are normally considered charitable contributions to the FFA Alumni are:

Life and annual membership dues

Cash contribution

Out-of-pocket expenses you paid to do volunteer work for the FFA Alumni. This includes attending conventions and meetings as an official representative, delegate or award winner. Out-of-pocket expenses such as lodging, meals and registrations are normally deductible. For more information, see IRS Publication 526 (www.irs.gov).

Car or truck travel at the rate of 14 cents a mile (beginning January 1, 2005) or actual cost of gas and oil for driving on approved FFA Alumni activities or to FFA Alumni meetings when you are the approved representative.

The appraised value of material items donated to the FFA Alumni. This could include items donated to an auction, animals donated for FFA livestock chains, or equipment donated to a vocational agriculture shop. Items worth more than \$5,000, must be appraised by a professional appraiser.

You cannot deduct the cost of raffle tickets, events from which you receive personal benefits, entertainment or the value of your time or services. If an individual contributes more than \$3,000 to the FFA Alumni, the contributor must list the FFA Alumni and amount on line 14b of Schedule A, Form 1040. The EIN number of the FFA Alumni Affiliate will be required for contributions over \$3,000. If non-cash contributions are more than \$500, Form 8283 must be completed.

EXPENDITURES FOR POLITICAL PURPOSES

A political expenditure, as defined by the Internal Revenue Service, intends to influence the selection, nomination, election or appointment of anyone to public office or a political organization. The FFA Alumni is a 501 (C)3 organization, and must file Form 1120-POL if their political expenditure exceeds \$100 per year, The National FFA Alumni policy states that it is non-political and does not make political expenditures as described above. Individuals of the FFA Alumni can make political donations at any time without involving the organization.