



SHEPARD SCHWARTZ & HARRIS LLP

Business Advisors For Privately Owned Companies

TAX ALERT

JANUARY 26, 2010

New Law Allows 2010 Haitian Relief Contributions To be Deducted on 2009 Returns

On January 22, 2010, President Obama signed a bill into law that allows taxpayers making cash contributions for the relief of the Haiti earthquake victims a choice to claim the deductions in 2009 or 2010 for contributions made through March 1, 2010. Contributions must be “cash” contributions made specifically for the relief of victims affected by the earthquake in Haiti. Cash contributions include payments made by check, credit card, debit card, or text message. Contributions must be substantiated by a bank record or written communication from the charitable organization showing the name of the charity, the date of the contribution, and the amount of the contribution. For contributions made by text message, a telephone bill will meet the substantiation requirement if it shows the name of the charity, the date of the contribution, and the amount of the contribution. Please note that the new law is a benefit to only those taxpayers who itemize their deductions.

If you made or are planning to make a contribution specifically for the relief of Haiti earthquake victims, please feel free to call us if you would like to discuss the deductibility of your contribution.