



# CAR DONATION PROGRAM

www.fraser.org

Thank you for thinking of Fraser when donating your car! In its fifth year, Fraser's Car Donation program has raised more than \$160,000 to support Fraser's education, healthcare, and housing services. This unique way of making a donation has never been easier! See below for important tax information and the procedure for donating.

## \*\*\*New Tax Law, effective January 1, 2005\*\*\*

As of January 1, 2005, the IRS ruled that a person donating a vehicle to a charitable organization can deduct only the amount for which the car was sold, not what is estimated as the fair market value. This is only applicable for cars valued at \$500 or more.

### How this affects you as the donor

Fraser used to send the donor an acknowledgement letter with the fair market value of their car donation. Now, Fraser sends an acknowledgement of the donation within seven days without the vehicle's value listed. Once the vehicle is sold, Fraser sends another letter to the donor, notifying them of the gross sale proceeds of the vehicle. This is the amount the donor can deduct on their taxes.

## The procedure for donating your car to Fraser:

Fraser accepts cars that are less than 12 years old and are in driveable condition.

- Bring your car to Fraser's main office, at 2400 W 64<sup>th</sup> St. (Arrangements can be made for drop-off at other Fraser sites.) Please remember your car keys, car title, and any security liens for the vehicle.
- A Fraser staff member will have you complete an intake form and will sign over the title into Fraser's name. The staff member will copy the title and intake form for you to keep.
- Within seven days, an acknowledgement letter will be sent to you, thanking you for your contribution.
- Your car will be delivered to an auto auction in Shakopee, where it is auctioned wholesale to licensed dealers.
- Once Fraser receives the proceeds of the sale, another letter is sent to you. This letter contains the amount for which the car sold and should be used as your receipt for tax deduction purposes.
- The proceeds from the sale of your vehicle goes to support Fraser's early-childhood education, healthcare, and housing services for children of all abilities and adults with special needs.

Please visit our website for any questions, at [www.fraser.org](http://www.fraser.org) Thank you for your support!

Feel free to contact Beth Schmieg at (612) 798-8327 or [beths@fraser.org](mailto:beths@fraser.org).