Gifts-in-kind are non-monetary items of tangible personal property such as art, collectibles, books, equipment, automobiles, inventory, and other personal assets or materials that represent value to the American Academy of Pediatrics (AAP). We welcome many gifts-in-kind and are most grateful when donors think of us with this form of philanthropy.

However, gifts-in-kind can also present the Academy with issues of liability and multi-year budget issues. Therefore, it is appropriate that there be set guidelines for the acceptance of gifts-in-kind and that both donors and Academy personnel understand the necessary procedures and approvals before a gift-in-kind is officially accepted.

Gifts-in-kind, as defined above, must be tangible property. Unreimbursed expenses such as food, professional services, and limited use of private property are not considered tax-deductible, charitable gifts-in-kind by the Internal Revenue Service. We may accept such gifts, but the donor will not receive a receipt for the gift-in-kind from the AAP.

Acceptance of Gifts-in-Kind by the American Academy of Pediatrics
When offered a gift-in-kind, the Academy may choose either to use or sell the gift-in-kind property or to decline the gift. When evaluating the acceptance of gift-in-kind, the Academy will consider if the gift is needed, wanted, and/or has use within the institution or if it can be sold to benefit the Academy. Consideration will be given to the cost of accepting the gift (e.g., shipping and handling costs, installation charges, licensing fees, etc.), the long-term viability of the gift (e.g., maintenance costs, associated personnel needs, storage fees, insurance rates, copyright issues, etc.), and the resale market if the gift is to be sold. Some gifts will require paperwork documenting ownership (e.g., a signed title for a car or boat, documentation of personal papers, photographs or artworks).

In light of these issues and responsibilities, the ultimate acceptance of a gift must fall not to an individual staff member but to the Department Directors or assigned designates for gifts valued less than $500. Therefore, only Department Directors or their assigned designates may accept gifts-in-kind for the individual departments of the AAP. Because of the possibility of a gift impacting other areas of AAP’s overall budget, gifts-in-kind that have values of over $5,000 must be reviewed by the Director of Finance.

Income Tax Charitable Deductions Available for a Gift-in-Kind
If the Department accepts a gift-in-kind and completes and transmits the necessary signed forms to the AAP, then the donor of the gift-in-kind may claim a charitable deduction for the fair market value of the gift if it is accepted for the Academy’s exempt purposes. If a gift-in-kind will not be used for the Academy’s exempt purposes, a deduction can only be claimed for the property’s cost basis (usually the original amount paid by the donor for the property). If authors or artists donate original works, however, their deduction is limited to the cost of the materials used (e.g. canvas, paint, paper, ink, photocopying) used to create the work of art.
Instructions for Completing a Gift-in-Kind

Specific instructions are in place for a gift-in-kind to be completed and for a donor to receive an income tax deduction:

Donations of Gifts-in-Kind valued from $1.00 to $499.99 – The donor must complete his/her portion of the AAP’ Gift-in-Kind Donation Form, including a detailed description of the item and donor’s address. The Director of the receiving unit then must complete the department’s portion of the form. It is important to designate the account name for which the gift is to be credited. The completed form should then be sent to the Development Department who will send a copy to the Department of Finance.

Donations of Gifts-in-Kind valued from $500.00 to $4,999.99 – In addition to the above instructions, the Director of Individual Giving and Major Gifts should inform the donor that an IRS Form 8283 will need to be filed with his/her tax return to claim the deduction and that the donor should consult with his/her tax consultant.

Donations of Gifts-in-Kind valued from $5,000 and above – In addition to the above instructions, the Director receiving the gift must pass the Gift-in-Kind Donation Form on to the Development Department for review and signature. The donor will then be informed that an IRS Form 8283 is required by the IRS and by the American Academy of Pediatrics. The donor will then need to have an independent appraiser sign the IRS Form 8283 and return it to the AAP for acknowledgment and receipting. For gifts of this value, the donor should certainly seek the advice of his/her tax consultant. Note that if the item donated is sold, transferred, or disposed of within three (3) years from the date of the gift, the Department Director must notify the Development Department’s Director of Individual Giving and Major Gifts so that the Academy may comply with IRS regulations regarding such a transaction.

Donations of Original Works to the Pediatric History Center (personal papers, photographs, artworks) – When the gifts are made for the benefit of the Pediatric History Center, a Deed of Gift must be signed by the donor and the archivist. Such gifts valued by the donor above $500 must follow the procedures outlined above. If the donor is the creator of the item, the donor can only deduct the cost of materials used to create the item.

After the Gift Acceptance Form has been completed and fully accepted by the AAP, then the gift-in-kind may be immediately turned over to the Academy and added to its inventory.

If the Department Director decides not to accept the gift, the donor should be notified by the Department Director and given a reason why the gift cannot be accepted.

NOTE: the contribution of time or services (even professional services) is not tax deductible. The donation of a partial interest in a property, including the right to use property, is not tax deductible. Only a remainder interest or an undivided partial the entire interest in a property is tax deductible.
GIFT-IN-KIND DONATION FORM

Name of donor: _____________________________________________________________

For Gifts of $5,000 or greater in value, Donor’s Social Security Number or Tax Identification
Number:
__________________________________________________________________________

Address: ___________________________________________________________________
___________________________________________________________________

I hereby give to the American Academy of Pediatrics, for the benefit of the American
Academy of Pediatrics (AAP), all of the following described property:
___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

Currently valued at approximately $ ___________________, for the use of the
_________________________ department/program at the AAP.

Signature: ___________________________________________ Date: __________________
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On behalf of the American Academy of Pediatrics, I gratefully receive the above-described
property, given for the educational uses of our department/program, through the American
Academy of Pediatrics

Received by: ___________________________ Date: __________________

Revenue Account #: ___________________ Expense Account #:____________________

Department Director: _________________________________________________

Signature: ___________________________________________ Date: __________________
***************************************************************************

Form approved and accepted by the Director of Development for the American Academy of
Pediatrics:

Signature: _____________________________________________ Date: ________________