

Expenses Volunteers Can Deduct

Since our group has earned a 501(c)(3) tax status, here is what the IRS will allow volunteers to deduct from their taxable income:

Car and transportation expenses: Volunteers can deduct car and transportation expenses incurred to get back and forth from home to your office, or to meetings or other sites (such as a special event, or to school with R.E.A.D. dog). You can choose between deducting actual gas and oil used, or else take a mileage deduction at the rate of 14 cents per mile. Given the high cost of gasoline today, most volunteers are better off keeping track of actual driving expenses. Volunteers can also add in parking fees and tolls. (Note: volunteers cannot claim general car repair and maintenance expenses, depreciation, registration fees, or the costs of tires or insurance.) Volunteers taking public transportation can deduct subway, bus, or taxi fare.

Travel expenses: The volunteer can deduct travel expenses, such as airfare and other transport, accommodations, and meals, when performing services away from home. (there are important limitations: The volunteer cannot gain significant personal pleasure, recreation, or vacation from the travel. And the volunteer must really be working -- tagging along on an outing while performing nominal duties, or even no duties for significant parts of the trip, won't cut it.)

Other out-of-pocket expenses: Volunteers may deduct other expenses they incur during the course of their volunteer work. For example, board members might deduct unreimbursed phone, postage, and copying charges associated with preparing for meetings. Volunteers at an animal shelter can deduct the treats that they're asked to provide in order to help train dogs during walks.

Uniforms: If you ask volunteers to purchase a uniform -- they can deduct both the purchase price and any upkeep costs. Your organization must require the volunteers to wear the uniforms while performing services.

Itemizing: In order to take these deductions, volunteers must itemize their deductions on their tax return. Those who fill out a 1040EZ won't get any benefit. Volunteers must keep reliable written records of expenses. You may not deduct the value of your time or services donated. Also in most cases dog boarding expenses cannot be deducted.