

Haiti Earthquake Relief Deductible on 2009 State Return

MONTGOMERY -- Alabama taxpayers who contribute to charities providing earthquake relief in Haiti can claim those donations on their 2009 state income tax returns, Governor Bob Riley and State Revenue Commissioner Tim Russell announced Wednesday.

Only cash contributions (as opposed to property) made to these charities after January 11, 2010, and before March 1, 2010, are eligible. This includes contributions made by text message, check, credit card or debit card.

“Alabamians have been so generous in coming to the aid of the people of Haiti during this time of need,” said Governor Riley. “This tax benefit, hopefully, will encourage even more Alabamians to come forward and assist those who are suffering.”

State and federal tax laws require that taxpayers keep a record of any deductible donations they make. For contributions made by the use of text messaging, a copy of the telephone bill will serve as sufficient documentation of the deduction for Alabama purposes if it shows the name of the organization the donation was made to, the date of the contribution, and the amount of the contribution. For cash contributions made by other means, taxpayers are reminded to keep a bank record, such as a cancelled check, credit card statement, or a receipt from the charity showing the name of the charity and the date and amount of the contribution.

Commissioner Russell explained that by following the federal relief provision offered to Alabamians on their federal returns, taxpayers will receive the same tax benefit on their Alabama return.

The Alabama income tax law regarding the deductibility of charitable donations §40-18-15(a)(10), *Code of Alabama 1975*, is tied directly to the recently amended federal income tax code section, prompting Alabama to follow suit.

For more information concerning the deductibility of the contributions made to the Haiti earthquake relief effort, visit the IRS Web site at www.irs.gov.

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For more information, contact the Governor's Press Office at 334-242-7150.