

WATCHTOWER

BIBLE AND TRACT SOCIETY OF NEW YORK, INC.

25 COLUMBIA HEIGHTS, BROOKLYN, NEW YORK 11201, U.S.A.

PHONE (718) 825-3600

November 19, 1993

TO ALL BODIES OF ELDERS IN THE UNITED STATES

Dear Brothers:

We are writing to make you aware of new tax laws which apply to any contribution received by a local congregation from a donor which totals \$250 or more on a specific date.

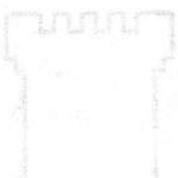
Starting January 1, 1994, a cancelled check no longer will be proof enough to enable a donor to deduct a contribution to the congregation if such contribution totals \$250 or more on a specific date. Anyone making such a contribution must have written substantiation of the gift from the congregation prior to filing a tax return claiming this deduction. This written acknowledgment must state the amount of the gift and whether any goods or services were provided by the congregation to the one making the gift.

These new rules apply to gifts of cash as well as gifts of property. In the event property other than cash is donated, the congregation's written acknowledgment should describe the property, but not place an amount on its value. Current tax laws generally require the donor to obtain independent proof of the value of the property donated.

The rules apply regardless of whether the funds are donated to the congregation for the use of the local congregation, the worldwide work of the Society, a Kingdom Hall building fund, or any other special fund for theocratic use. If a donor contributes funds or property for one or more of such uses on a specific date and the value of that contribution totals or exceeds \$250, an acknowledgment should be given to the donor if he intends to take a tax deduction for the gift. However, such acknowledgments need only be given if requested by the donor.

A sample acknowledgment for a contribution of cash is enclosed with this letter. The actual acknowledgment should be prepared on your congregation letterhead. The acknowledgment should be given to the person making a contribution of \$250 or more as soon as possible after the contribution is made and the acknowledgment is requested. The letter can be adapted for contributions of property other than cash by providing a description of the property, but not the value. It should be noted that some gifts of property other than cash may require the completion of an additional Internal Revenue Service form.

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Please note that an announcement to all congregations regarding this new procedure will appear in the January 1994 issue of *Our Kingdom Ministry*. The announcement should be read during the first Service Meeting held in January 1994.

Your brothers,

Watchtower B. & T. Society
OF NEW YORK, INC.

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