

PERTINENT TAX INFORMATION **FOR 2013 DONORS TO ATHLETICS**

WAIVER OF BENEFITS

In order to deduct 100% of a contribution to the TCU Frog Club, the donor must submit in writing a waiver of benefits *at the time of making a pledge and/or contribution*. A waiver of benefits precludes the donor from receiving any goods or services in exchange for a contribution. In requesting a waiver of benefits, the donor further understands that he or she *forfeits priority points and the right to purchase season tickets*; once priority points are forfeited, they cannot be credited retroactively to a donor's account.

Only through a Waiver of Benefits is a contribution eligible for 100% tax deduction.

SEASON TICKETS

Members of the TCU Frog Club and donors to TCU Athletics are entitled to receive preferred reserved seating locations for any season tickets purchased for football, baseball, women's volleyball, men's basketball, or women's basketball. The cost of tickets is not tax deductible. However, Internal Revenue Code Section 170(1) provides that if a taxpayer makes a payment to or for the benefit of a university and, as a result, receives the right to purchase tickets for seating at an athletic event, he or she is eligible to deduct 80% of his or her contributions for federal income tax purposes.

In accordance with IRC Section 170(1), all donors who are entitled to purchase tickets with preferred seating, and who do not request a waiver of benefits (explained above), are eligible to deduct 80% of their contribution.

ADDITIONAL BENEFITS

The Internal Revenue Code also addresses the deductibility of other benefits a donor may receive as a result of a contribution. A donor can only deduct the amount of a contribution that is more than the value of the benefits received. Therefore, the 80% portion of your gift is only tax deductible to the extent that it exceeds the value of any additional benefits you receive. Donor pins, newsletters, and other token items do not

reduce the amount eligible for deduction for tax purposes, however, other goods or services a donor receives in consideration for donations, can further reduce the amount eligible for deduction. If you received additional goods or services in exchange for your contribution an estimate of their fair market value has been provided to you.

SUBSTANTIATION REQUIREMENTS

As required by the IRS, the University Development Office will furnish donors with receipts for contributions. Donors should retain their receipts for federal income tax purposes.

You are encouraged to consult your tax advisor.