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Tax Tips for Charitable and Standard Deductions for 2009 Filing

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This year with the Haitian calamity and the volatile economy, the IRS offers some respite from paying taxes. In fact, until March 1, 2010 you could donate contributions to Haitians and get relatively more money back if you choose standard deductions for your 2009 tax filing.

CHARITABLE DEDUCTIONS

Recognizing the importance of charitable donations and the enormity of devastation in Haiti, the IRS allows many people who give donations to victims of the Haitian earthquake to deduct their contributions. However, there are some caveats.

Haitian Charitable Deduction Restrictions

- 1. **Only Cash Contributions:** Only cash contributions made to charities offering relief to victims of Haitian Earthquake are deductible.
- 2. **Time Periods:** Only cash contributions made to such charities *AFTER* January 11, 2010 and *BEFORE* March 1, 2010.
- 3. **Gift Specificity:** The charitable donations must have been made specifically for relief of victims in the areas affected by the Haitian earthquake.
- 4. **Standard Deduction, No Haitian Charitable Tax Deduction:** If you claim standard deduction, you cannot claim deductions. However, you have a choice of deducting such charitable deductions on either your 2009 or 2010 tax return. Thus, you might want to claim standard deductions for 2009 and take advantage of itemized deductions in 2010.
- 5. **Receipt of Your Donations:** You should keep at least some kind of receipt of your charitable giving in the form of canceled check, receipt. The receipt should show the name of the charity and the date of the contribution.
- 6. **Text of Your Donation:** If you made your donation by text message, then your phone bill should suffice provided the phone bill shows the name of the charitable organization and the amount paid.

STANDARD DEDUCTIONS

For 2009, the basic standard deductions are:

- **Married Couples Filing Jointly:** For married couples filing jointly, the standard deduction is \$11,400, up from \$10,900 for 2008.
- **Most Singles:** The 2009 standard tax deduction for most singles is \$5,700 up from \$5,450 in 2008. There are higher amounts for the blind and people above 65.