

**Income Tax Information
For Patrons of
The St. John Neumann Dinner & Benefit Auction**

St. John Neumann School is a tax-exempt charitable organization as described in IRS Code S501(c)(3). Direct donations to St. John Neumann School qualify as charitable contributions to the donors and are deductible for income tax purposes to the extent allowed by law.

While SJN Dinner & Benefit Auction believes this tax information is correct, SJN Dinner & Benefit Auction does not guarantee its accuracy or represent that the IRS will not take a position to the contrary. SJN Dinner & Benefit Auction patrons are encouraged to seek advise of their tax advisors as to the accuracy of the information which is being provided and the tax consequences of their financial participation in the SJN Dinner & Benefit Auction.

When a patron of SJN Dinner & Benefit Auction purchases an auction item for a price greater than the amount reflected as fair market value they will receive the difference between the purchase price and the fair market value, as believed to be, as a charitable contribution to St. John Neumann School. If the purchased item consists solely of intangible (financially) religious benefits they are regarded for tax purposes to have no fair market value; therefore, the purchase price of such an item should be regarded as a charitable contribution.

When a patron purchases an item at the SJN Dinner & Benefit Auction for a price that is less than or equal to the value listed the transaction is regarded as simply a purchase, not a charitable contribution, and no portion of the purchase price qualifies as a charitable contribution.

All cash gifts to S. John Neumann School qualify as charitable contributions as long as the donor receives no direct benefit in return. Gifts of tangible items to St John Neumann for use at the SJN Dinner & Benefit Auction may also qualify as charitable contributions, although certain restrictions apply when claiming deductions for non-cash gifts. If the amount of cash donated or the value of the donated auction item is \$250.00 or more, the donor is required to have written acknowledgment as substantiation for the contribution. St. John Neumann will provide acknowledgement. The written acknowledgment will contain the amount of cash contributed or the identity, but not the fair market value, of the item donated to St. John Neumann School.

