

The Tax Man/Woman Cometh!

Yes, it's that time of year again...the dreaded income tax season. As a volunteer in Scouting, there are some expenses that you incur that are, in fact, deductible. The following list may be of assistance to you as you file your 2011 federal and state tax returns.

General Rule: Volunteers are usually allowed to take a charitable income tax deduction for unreimbursed, out-of-pocket expenses directly connected with the performance of service for the local council. If these are viewed as personal, living or family expenses, though, they will not be deductible. So, for example, the cost and upkeep of your BSA field uniforms will be tax deductible because they are necessary and appropriate primarily for BSA use. However, if you have a "dress uniform" that consists of the navy blue blazer and grey slacks, the purchase and upkeep of that uniform that would not be deductible because of the potential for personal use of the items.

Travel Expenses: Deductible travel expenses include: air, rail and bus transportation; out-of-pocket car expenses; taxi and shuttle fares between hotel and airport or station; lodging costs; reasonable meal costs. These expenses will only be deductible, though, if there is "no significant element of personal pleasure, recreation, or vacation" in the trip. Also, you cannot deduct travel, meals, lodging, or other expenses for a spouse or children. For example, because of the large portion of volunteer service you would render as a staff member to the National Scout jamboree, most of your expenses would likely be tax deductible (even if you had a great time!) But, if you attended a meeting in Florida and golfed every day, or spent a lot of time at Disney World before or after the BSA meeting, you may lose much of your travel expense deductions for the trip.

Car Expenses: If you use your car for the benefit of the local council, you can either deduct actual expenses (such as gas, parking, tolls, etc.), or use a standard mileage rate allowed by the IRS for reimbursement. You cannot deduct any portion of general repair, maintenance, depreciation, or insurance. Of course, keep very good records to substantiate any actual expenses.

Use of Property/Personal Services: If you let the council (or a unit) use your property, such as space in a building, a boat, a car, or vacation home, you cannot deduct the rental value of that property. However, actual out-of-pocket operating expenses (such as fuel, utilities, etc.) will be deductible. Be aware, though, that letting the council (or unit) use a vacation home may push the property owner over the personal use ceiling, preventing the owner from taking rental losses on it for the year.

You cannot get a deduction for loaning the council (or a unit) money without interest (though loaning the council income-producing property, such as a CD or stocks, may have other tax benefits even for donors who don't itemize deductions). Also, there is no tax deduction for contributing personal time or services to the council. So, for example, an electrician cannot deduct the value of income lost, or the normal hourly value of his services, for volunteering his services at camp or a council activity.

Most donors who itemize their deductions will be able to deduct expenses incurred as volunteers to the BSA up to 50% of their adjusted gross income. However, the potential for tax deductions has always been less motivation than the opportunity to offer service to Scouting. The Los Padres Council has no resource as valuable as the time and efforts of its volunteers. For that, we thank you!!

This information is offered as a guide for you and is not intended as professional tax advice. As always, consult with your tax professional regarding any deductions you feel you may have incurred while serving as a volunteer in Scouting.

You may find the following Un-reimbursed Volunteer Expenses Worksheet helpful to you as you file your tax returns.

Un-reimbursed Volunteer Expenses
Los Padres Council, Boy Scouts of America, for the Year: _____

Name: _____

Address: _____

City/State/Zip: _____

Soc. Sec. #: _____

During the year, I performed volunteer services for the Los Padres Council, Boy Scouts of America, located in Santa Barbara, California, for which I received no remuneration. I incurred the following un-reimbursed expenses in such services:

Transportation: \$ _____

Telephone: \$ _____

Postage Stamps: \$ _____

Stationery/Photocopies: \$ _____

Electronic Media \$ _____

Meals/Lodging (while
Away from home overnight \$ _____

Other
_____ \$ _____

_____ \$ _____

_____ \$ _____

Purchase & Maintenance of
Field uniforms \$ _____

Automobile Expenses:

Gasoline \$ _____

Tolls: \$ _____

Parking \$ _____

OR

I drove _____ miles
\$ _____

Tolls \$ _____

Parking \$ _____

TOTAL: \$ _____

**DEDUCTIBILITY OF COST TO
ATTEND OVERNIGHT SUMMER CAMP
AS A QUALIFYING EXPENSE FOR HOUSEHOLD
AND DEPENDENT CARE SERVICES
NECESSARY FOR GAINFUL EMPLOYMENT**

We are often asked to provide our tax identification number to parents who want to deduct the cost of attendance at Summer Camp as a dependent care expense for their child (under the age of 13). Unfortunately, this activity does not qualify for “dependent care services necessary for gainful employment”.

Both IRS Publication 503, and Federal Tax Regulation, 1.21-1 deal with this issue. They specifically state “The cost of sending your child to an overnight camp is not considered a work-related expense.”

This is not meant to be tax advice, but is provided to you as information only. Please consult with your tax preparer or tax advisor for any current rulings that may effect your tax status.

Thank you for your understanding of this issue.

**DEDUCTIBILITY OF COST TO
ATTEND DAY CAMP AS EXPENSES FOR HOUSEHOLD
AND DEPENDENT CARE SERVICES NECESSARY
FOR GAINFUL EMPLOYMENT**

We are often asked to provide our tax identification number to parents who want to deduct the cost of attendance at Cub Scout Day Camp as a dependent care expense for their child (under the age of 13).

Both IRS Publication 503, and Federal Tax Regulation, 1.21-1 deals with this issue. They specifically state, “The cost of sending your child to a day camp may be a work-related expense”.

This is not meant to be tax advice, but is provided to you as information only. Please consult with your tax preparer or tax advisor for any current rulings that may affect your tax status. If your tax adviser believes you are eligible for this deduction, please contact our office for the number.

Thank you for your understanding of this issue.