

Haven for Hero's Donation Guide



Homeless to Housed Project Donation Guide Table of Contents

What is Homeless to Housed Project all about	Page 02
Tax Benefits of Giving	Page 03-07
Gifting Ideas	Page 08-15
Appreciated Securities	Page 08
Cash	Page 09
In-Kind Donations	Page 10
Volunteer In-Kind	Page 10
Real Estate	Page 10
Classic Cars, Yachts, Boats, Aircraft	Page 11
Collectibles	Page 11
IRS Resources	Page 11
Outside Charity Fund Raising Possibilities	Page 12
Real Estate Facilitation	Page 12
Business Fund Raising	Page 12
Real Estate Donation Guide	Page 13-17
Types of Real Estate	Page 13
Five Effective Ways to Donate	Page 15
Benefits Illustrations	Page 16-18
Quick Reference Guide	Page 19



What is Haven For Heros INC (Homeless to Housed) all about?

The mission of Haven For Heros (H2) is to eliminate veteran homelessness by providing housing solutions and services that will empower and impact the lives of homeless veterans and their families.

Your Donation will be used to acquire and improved reasonable, safe and sustainable housing units. Ideally these homes will offer access to public transportation, providing opportunities for employment and access to social services and support groups. The purpose of this program is to help homeless and hard working low income veterans and their families obtain housing and ultimately achieve stability, build strong communities in the process and allow veterans to go from homeless to homeownership (H2).

Please consider supporting us in any way you can. Our Veterans deserve all the support we can give. Just Call Us at 540-479-1044 or visit the website at <http://haven4heros.org> you can email us at info@haven4heros.org



Cash
Real Estate
Yachts
Aircraft
In-Kind
Classic Cars
Sail Boats
Collectibles



The following is a brief summary of certain federal income tax laws that relate to Haven For Heros and are for informational purposes only. We urge you to consult your tax advisor for the federal, state, and local tax consequences of your charitable contribution.

While Haven For Heros believes that your primary motivation of donating to H2 should be altruism and your desire to give back to our veteran heroes who have put their families on hold and who were willing to die so that you can enjoy the freedoms you enjoy every day. After all, you're a good person. It's the right thing to do. In addition to you being part of the solution, you should also know the great tax benefits that exist for giving is a Win-Win situation.

A gift to a qualified charitable organization may entitle you to a charitable contribution **deduction** against your income **tax** if you itemize **deductions**. If the gifts are **deductible**, the actual cost of the **donation** is reduced by your **tax** savings which translates into fewer taxes to pay.

.....

Here are some of the tax rules and benefits you should know about.

If your goal is a legitimate tax deduction, then you must give to a qualified organization such as a Non-Profit 501(c)(3) Tax Exempt Organization Like Battlefield to Boardroom.

A Gift to H2 may entitle you to a charitable contribution deduction against your income tax if you itemize deductions.

If the gifts are deductible, the actual cost of the donation is reduced by your tax savings. For example, if you are in the 33% tax bracket, the actual cost of a \$100 donation is only \$67 (\$100 less the \$33 tax savings). As your income tax bracket increases, the real cost of your charitable gift decreases, making contributions more attractive for those in higher brackets. The actual cost to a person in the lowest bracket, 15%, for a \$100 contribution is \$85. For a person in the highest bracket, 35%, the actual cost is only \$65. Not only can the wealthy afford to give more, but they receive a larger reward for giving.



Your contribution is deductible in the year in which it is paid.

Putting the check in the mail constitutes payment. A contribution made on a credit card is deductible in the year it is charged to your credit card, even if payment to the credit card company is made in a later year.

If you get anything in return for your donation -- merchandise, goods, services, and admission to a charity ball, banquet, theatrical performance or sporting event -- you can deduct only the amount that exceeds the fair market value of the charity's thank-you token or benefit. For example, if you give your local PBS station \$100 and get a \$25 DVD of a "Masterpiece Theater" performance in return, you can only deduct \$75 unless of course the \$25 qualifies as a necessary business expense.

There are limits to how much you can deduct, but they are very high.

Your deduction is limited to 50% of your contribution base. For example, if you have an adjusted gross income of \$100,000, your deduction limit for that year is \$50,000. Charitable contributions in excess of these limits can be carried over to the following tax year. The excess contributions can be carried over for a maximum of five years.

Rules exist for non-cash donations.

Donations of stock or other non-cash property owned for more than one year are normally valued at the fair market value of the property. Fair market value is generally the price at which property would change hands between a willing buyer and a willing seller, neither having to buy or sell, and both having reasonable knowledge of all appreciated property because you get a deduction for the full fair market value of the property. You are not taxed on any of the appreciation, so, in effect, you receive a deduction for an amount that you never reported as income.

Haven For Hero's

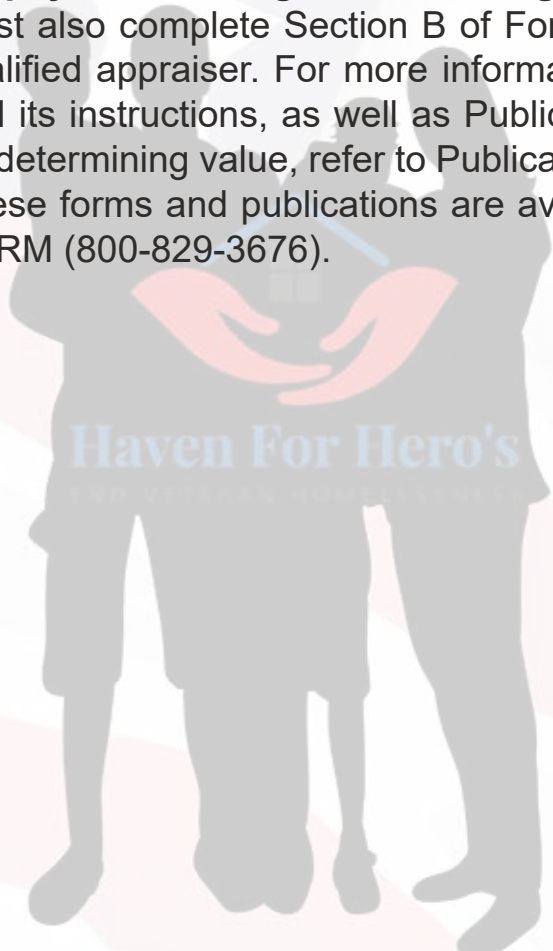


To deduct a contribution of cash, check, or other monetary gift regardless of the amount, you must maintain a bank record, payroll deduction records or a written communication from the organization containing the name of the organization, the date of the contribution and amount of the contribution. For text message donations, a telephone bill will meet the record-keeping requirement if it shows the name of the receiving organization, the date of the contribution, and the amount given.

To claim a deduction for contributions of cash or property equaling \$250 or more you must have a bank record, payroll deduction records or a written acknowledgment from the qualified organization showing the amount of the cash and a description of any property contributed and whether the organization provided any goods or services in exchange for the gift.

One document may satisfy both the written communication requirement for monetary gifts and the written acknowledgement requirement for all contributions of \$250 or more. If your total deduction for all noncash contributions for the year is over \$500, you must complete and attach IRS Form 8283, Noncash Charitable Contributions, to your return.

Taxpayers donating an item or a group of similar items valued at more than \$5,000 must also complete Section B of Form 8283, which generally requires an appraisal by a qualified appraiser. For more information on charitable contributions, refer to Form 8283 and its instructions, as well as Publication 526, Charitable Contributions. For information on determining value, refer to Publication 561, Determining the Value of Donated Property. These forms and publications are available at <http://www.irs.gov> or by calling 800-TAX-FORM (800-829-3676).



Be Safe, Remember to Document.

No deduction is allowed for a separate contribution of \$250 or more unless you have a written confirmation from the charity. A canceled check alone is not enough. All other contributions require Battlefield to Boardroom to estimate the fair market value of any goods or services given to you in exchange for your contribution.

Starting in 2007, the IRS requires written documentation to substantiate deductions for all monetary donations including cash. In case of an audit, you must have a canceled check, credit card statement or a written acknowledgement from H2 (showing our name, the date of the donation and the amount given). You will no longer be able to deduct those few dollars you dropped in a collection bucket without a receipt from the charity to back up your claim.

When you give goods instead of cash, charities typically provide a receipt to help support itemized claims. But it's up to you not the IRS, not the charity to assign a precise value to your donation.

Of course, the IRS has rules on how to decide what a donated item is worth: Claim its fair-market value, or what a willing buyer would pay for that item in its current shape not what it was worth when it was new.

Even though you generally don't have to include substantiation of your gift giving with your return, it's a good idea to keep a record of your deductible donations.

Acknowledgment of your benevolence is necessary when your gifts are large. For a cash contribution (and for tax purposes, cash means actual dollars, checks or credit card payments) of \$250 or more, you must get a written receipt of your donation from the qualified organization before you can claim the deduction and don't forget, when you donate more than \$500 worth of goods to charity, you must detail your generosity and include with your tax return Form 8283, Noncash Charitable Contributions. Take this deduction amount and forget the form, and the IRS could disallow your claim.



Extravagant giving

And while Uncle Sam basically views charitable gifts as a good thing, he has his limits.

In some cases, the IRS won't let you claim all your contributions in one tax year. Generally, your donations cannot be more than 50 percent of your adjusted gross income, although in some instances the limit is 20 percent or 30 percent, depending on the type of property you donate and the type of organization to which you give.

You can carry over your excess contributions for up to five more tax years, but your carry-over amounts still will be subject to the original adjusted gross income limitation rules.

Beginning with the 2013 tax year, the tax value of charitable contributions might be limited for certain individuals. Taxpayers who make more than certain amounts must reduce their overall itemized deductions claim. This limit applies to single filers making \$250,000 or more, head-of-household taxpayers earning \$275,000 or more, and couples filing jointly with combined income of \$300,000 or more.

Remember, it's always better to give than receive. The glory of charitable donations is that you give and receive at the same time.



If you're thinking of giving to H2 this season, and you're wondering how that might affect your taxes next year, here are some ideas about what to donate.

Appreciated securities: That's right: If you've been holding onto some stock for a while, you could donate it to a charitable cause.

It isn't complicated to do, but you should first consult your financial advisor or an attorney. (Most universities have an office of institutional advancement, which, among other things, is in charge of accepting charitable donations.

Your broker will need to contact us to obtain pertinent account information. In cases where you hold the actual stock certificates, you will need to sign a stock power form for each certificate you contribute.

If you want to donate a mutual fund before the year is up, it can take up to a month to transfer, since each mutual fund company has its own requirements for charitable contributions.

What are the benefits for you? You receive gift credit and an immediate income tax deduction for the fair market value of the securities on the date of the transfer, no matter what you originally paid for them. You pay no capital gains tax on the securities you donate.

There really is no downside to donating appreciated securities to a charity. You're avoiding being taxed, and in some cases where the value of the stocks are significant in value, you're avoiding being taxed 20 percent. Additionally, by avoiding capital gains, donors may also avoid the unearned income Medicare contribution of 3.8 percent, a Medicare surtax.

Haven For Hero's



There is one thing to be aware of, however. There is no prohibition against giving assets held less than a year, but the donor is only able to deduct the price paid for the stock, not its appreciated value.

Cash: Donate as much of the green stuff as you want. We accept cash, checks, direct deposit, wire transfers, and credit cards



Volunteer – In-kind Donations: Organizations such as Haven For Heros (H2) rely heavily on volunteers who believe in and want to support the same cause. We are no different.

H2 is growing rapidly and expanding across the United States. We need professional assistance, marketing professionals, sales professionals, fund raisers, and government public relations personnel. ***Volunteer Now***

For those of you that want to contribute their time, and enjoy the benefits of tax write-offs for your time, this is a great choice. Call Us and let's explore how you can become involved.

Real Estate

H2 specializes in accepting and processing Real Estate Donations from direct donors, and we also facilitate Real Estate Donations for other charities that do not have the expertise or ability to process such transactions. There are many benefits to donating your appreciated, non-performing or under-performing property. We accept primary residence, vacation homes, investment properties, commercial properties, farm land, undeveloped land, and even real estate notes.

There are five basic ways to donate Real Estate and they are Out- right Gift, Bargain Sale, Retained Life Estate, Charitable Gift Annuity, and Charitable Remainder Trust. Each method meets a particular need.

There is a complete Real Estate donation section at the end of this guide. H2 will be honored to work with you to fulfill your philanthropic desires while meeting the financial needs of your family and your gift to the H2's real estate gifting program will allow us to continue our important work. We are committed to helping you craft a gift in a manner that fulfills your personal legacy and monetary goals. Call us at **540-479-1044** and start the conversation.



Classic Cars, Yachts, Sail Boats, and Aircraft: This class of donations can be a very generous gift and if these assets have greatly appreciated or part of an estate, you can avoid capital gains tax and estate tax while enjoying a substantial write-off of your taxes.

Because of the logistics of assets of this nature, we can only accept assets that have an appraised value that exceeds \$20,000.00. To make such a donation, you must document the condition of said property, and obtain a professional appraisal for your tax benefit protection. Open up the conversation by calling us at 540-479-1044.

Collectibles such as Numismatics, Comic Book, Baseball cards can also be very generous gifts and can also enjoy substantial tax advantages. Since they can be shipped to our main offices, the logistics are not as much of a problem. We must insist that the value of the collection be greater than \$7500.00 to accept.

Here are some IRS Resources for your convenience:

[Publication 5 26, Charitable Contributions](#)

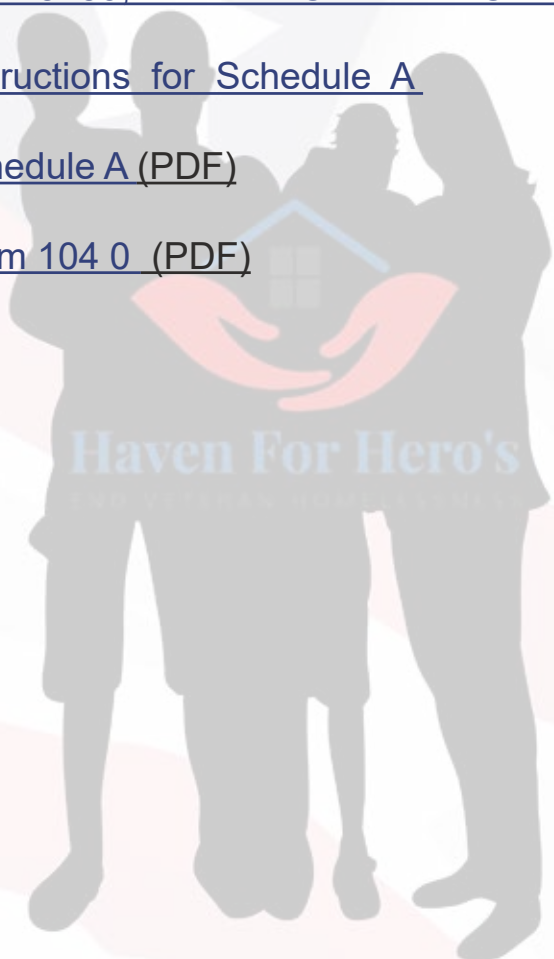
[Instructions for Form 8283, Noncash Charitable Contributions](#)

[Form 8283, Noncash Charitable Contributions \(PDF\)](#)

[Instructions for Schedule A](#)

[Schedule A \(PDF\)](#)

[Form 104 0 \(PDF\)](#)



Outside Charity Fundraising Program

Real Estate Donation Facilitation

If you are a 501(c)(3), more than likely you do not accept Real Estate Donations because of your lack of knowledge and the possible liability of holding the Real Estate. We have solved that problem.

You will now enjoy the revenue but have absolutely no liability. All you have to do is collect the basic information from the donor. Then forward the information to us. Our Group will handle all the negotiation, paper-work, and closing. Upon Closing you will receive 40% of the proceeds for doing nothing more than referring the donor to us.

If you want to actively pursue Real Estate Donations which we strongly suggest, we will provide you the tested letters and a list of all possible properties in your area that are prime for donation status such as high equity, vacant property with out of state owners, and companies that have multiple properties.

We will also train you in contacting local corporations, who have millions of dollars in property just waiting to be donated.



Real Estate Donation Guide

- Many people overlook real estate when considering a gift to their favorite charity or to a charity that is supporting their community. In fact, real estate makes a perfect gifting vehicle.

Please continue reading to discover why this is so. When you are ready,

The donation of real estate creates value for the donor and the charity.

Capital Gains can be minimized or eliminated. A donation can save you the headache and cost of marketing your property. In fact, the donation route, can quickly alleviate the “maintenance” burden and stress of a property that is seldom used.

There are many ways your gift can be structured. Whatever your choice, you will have the comfort of knowing that your thoughtful gift will have an indelible impact on Our Veterans.



Just about any type of Real Estate can be used to support our work.

Primary Residence - - - - -

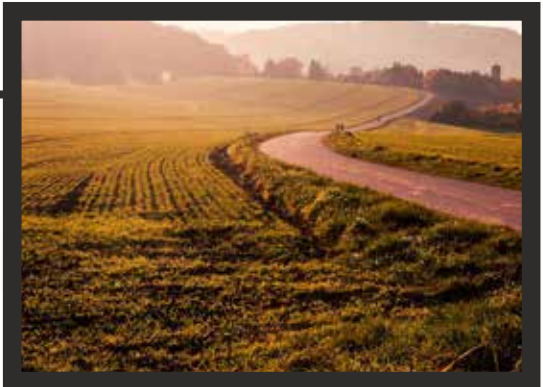
Vacation Homes - - - - -



Commercial Properties - - - - -



Land - - - - -



Besides a single family home, we also accept multifamily and condominium units.

When maintaining your property becomes a burden, think of H2. We will accept gifts of Homes, Cabins, and Condominiums. No Time-shares.

As you get older, the time spent on maintaining positive cash flow may become too much work. Competition for renters and competition with similar properties may become something that you no longer wish to tolerate. An appropriate trust vehicle will allow you to receive an income stream for life. When the trust ends, H2 will receive the residuum.

Corporate surplus property continues to be a problem for shareholders and the corporate bottom line. Creative solutions can enable the community to benefit. In addition, all kinds of commercial property can help fund activities that government can no longer perform.

Farm Land and undeveloped land also make suitable donation vehicles and can lead to substantial tax breaks, eliminate capital gains and assist in your reduction of estate taxes owed.



Relatively few charities and non-profits accept Real estate donations. However, H2 has taken the time to work with well-known profession also in the field who are familiar with the real estate donation process. It is a win-win situation, You achieve your monetary goals, and we have funds to expand our effort in helping our veterans.

If you have a preferred charity you prefer to support and they do not accept real estate, have them call us, and we will handle the total transaction including any liabilities and give your preferred charity a percentage of the donation.

You Have Five Effective Ways To Donate Your Real Estate

Each way meets a particular need of our donors. H2 will be honored to work with you to fulfill your philanthropic desires while meeting the financial needs of your family

Outright Gift

Bargain Sale

Retained Life Estate

Charitable Gift Annuity

Charitable Remainder Trust



This is the easiest way to facilitate a real estate donation. You basically say, **“Here is my property. Keep it or sell it, as you wish.”** By doing so you have just eliminated:

Your Capital Gains tax issues

Upkeep and maintenance concerns are solved.

The complicated and messy selling process.

And as a bonus your legacy will live on through the work of battlefield to boardroom.

Such a gift requires that you sell the property to H2 for substantially less than its current fair market value. This shows a clear intent to donate rather than an intent to receive a financial benefit, which would nullify any charitable deduction. A Bargain sale would also occur when donated property is encumbered by a mortgage.

Allows you to make a present gift to H2, while retaining the right to live in your home or farm. You avoid capital gains taxation and receive an immediate charitable deduction for a portion of the property’s fair market value. You are still responsible for all expenses. This gift is also quite flexible. For example, if you don’t want to live there anymore you can lease it out and receive rent (with approval of H2). You can donate the remaining life interest to the charity and receive another tax deduction. Finally, you and H2 can agree to sell the property and you will receive the present value of your life estate. Should this occur there will be some capital gains realized.

Provides a life-time income stream that is secured by all the assets of the particular charity. Your contribution is not segregated out. (This is why small charities and non-profits will seldom offer Charitable Gift Annuities.) While most practitioners believe that the risk is further increased when real estate is the subject of the gift, there is a technique that eliminates those inherent risks.

Where there are a few different types of Charitable Remainder Trusts, this type of trust allows you to donate appreciated assets to the trust and receive an income stream, defer or eliminate capital gains, and reduce estate taxes.



Benefits Illustrations

These calculations are for illustration purposes only and should not be considered legal, accounting, or other professional advice. Your actual benefits may vary depending on the timing of the gift and IRS discount rate.

Assumptions:

Principal Donated	\$100,000
Cost Basis of Property	\$20,000

Benefits:

Charitable Deductions	\$100,000
-----------------------	-----------

Outright Gift Actual Calculations

Assumptions:

[1] Principal Donated	\$100,000
[2] Cost Basis of Property	\$20,000

Benefits:

[3] Charitable Deductions	\$100,000
---------------------------	-----------

Assumptions:

Value of Property	\$100,000
Cost Basis of Property	\$20,000
Bargain Sale Price of Property	\$40,000

Charitable Deductions	\$60,000
Payout to donor	\$40,000
Reportable Capital Gain	\$32,000

Assumptions:

[1] Value of Property	\$100,000
[2] Cost Basis of Property	\$20,000
[3] Bargain Sale Price of Property	\$40,000

Calculations:

[4] Bargain Sale Ratio ($\frac{[3]}{[1]}$)	.40000
[5] Reportable Capital Gain ($([1]-[2]) \times [4]$)	\$32,000
Charitable Deduction ($[1]-[3]$)	\$60,000

Haven For Hero's



Beneficiary Ages	70/70	Charitable Deductions	\$29,401
Principal Donated	\$100,000	Payments	\$7,000
Cost Basis of Property	\$20,000		
Payout Rate	7.0%		
IRS Discount Rate	2.8%		

[1] Beneficiary Ages Date or Gift 08/23/2011	70/70	[7] Adjustment factor for schedule on [5] rate on [6] (table F in IRS Pub 1458 (S- 2009)	.985184
[2] Principal Donated	\$100,000		
[3] Cost Basis of Property	\$20,000	[8] Adjusted unitrust pay- out rate ([4] x [7]) Reg 1.664-4(e)(3)	6.8963%
[4] Payout Rate	7.0%		
[5] Payment Schedule 1 month to first payment IRS Discount Rate Section 7520(a) for 6/201	monthly 2.8%	[9] Reminder factor for val- ues on [1] and [8] {Table U(2) in IRS Pub 1458 (S-2009)	0.29401
		[10] Charitable Deduction ([2] x [9])	\$29,401.00



Annuitants Ages	70/70	Charitable Deductions	\$26,241
Principal Donated	\$100,000	Annuity	\$5,200
Cost Basis of Property	\$20,000	Capital Gain Income	\$3,598
Annuity Rate	5.2%	Ordinary Income	\$1,602
IRS Discount Rate	2.8%		

[1] Beneficiary Ages
Date or Gift 08/23/2011 70/70 [9] Investment in Contract ([7] x [8c]) \$73,963

[2] Principal Donated \$100,000 [10] Charitable Deduction ([2] - [9]) \$26,037

[3] Cost Basis of Property \$20,000 [a] Expected Return for ages on [1] (Table Vi in Reg 1.72-9) 20.6

[4] Annuity Rate 5.2% [b] Adjustment for payment schedule on [5] 0.0

[5] Payment Schedule End of month
[6] IRS Discount Rate Monthly
Section 7520(a) for 6/201 2.8% [c] Expected Return per \$1 ([11a] + [11b]) 20.6

Calculations: [12] Expected Return ([7] x [11c]) \$107,121.65

\$5,200.08

[7] Annuity ([2] x [4]) [13] Exclusion Ratio ([9]/ [12]) Regs 1.72-4, 1.1011-2© Example (8))

[8] [a] Value of S1 for ages on [1], rate on [6] (Table R(2) in IRS Pub 1457 (S-2009)) [14] Bargain Sale Ratio ([9]/[2]) (Regs 1.170A-1 (d), 1.1011-2(b)) .73963

[b] Adjustment for schedule on [5] rate on [6] Table K in IRS Pub 1457 (S-2009) [c] Adj Value of S1 ([8a] x [8b]) [15] Total Reportable Capital Gain ([14] x ([2] - [3])) \$59,170.40

[16] Years Needed to report all gain (Reg 1.1011-2(a)(4)(i))

Haven For Hero's



Life Tenant Ages	70/70
Value of Property	\$100,000
Cost Basis of Property	\$20,000
Value of Building	\$100,000
Estimated Useful Life of Building	45 years
Salvage Value of Building	\$16,667
IRS Discount Rate	2.8%

Charitable Deductions	\$29,401
-----------------------	----------

[1] Life Tenant Ages Date or Gift 08/23/2011	70/70
[2] Value of Property	\$100,000
[3] Cost Basis of Property	\$20,000
[4] Value of Buildings	\$100,000
[5] Estimated Useful Life of Building	45 years
[6] Salvage Value of Buildings	\$16,667.00
[7] IRS Discount Rate Section 7520(a) for 6/2011	2.8%

[8] Nondepreciable Factor for [1] & [7] (Reg 1.170A-12(e)(2))	.60678
[9] Remainder Value of Net Nondepreciable Portion ([8] x ([2] - ([4] - [6])))	\$10,113.20
[10] Depreciable Factor for [1], [5] & [7] (Reg 1.170A-12(e)(2))	0.37091
[11] Remainder Value of Net Depreciable Portion ([10] x ([4] - [6]))	\$30,909.04
[12] Charitable Deduction ([9] + [11])	\$41,022.25

Haven For Hero's
FOR VETERAN HOMELESSNESS



Quick Reference Guide

Current Gift

Current Gift

Your Charitable Gifts

Outright Gift
(Includes debt encumbered property)

Charitable Reminder Uni-trust or Charitable Gift Annuity

Retained Life Estate

Your Intent

Maximize the Charitable income tax deduction

Receive lifetime payments and create hedge against inflation (unit-rust only)

Donate your residence, farm or ranch and continue to live there

Making Your Gift

Deed your property to Us

Create a gift that generates lifetime income. The residuum benefits go to Us

Deed property to Us and retain use and occupancy

Your Benefits

Immediate charitable income tax deduction

Immediate charitable income tax deduction

Immediate charitable income tax deduction

Eliminate Capital gains tax

Avoid up front capital gains tax

Lifetime use of residence or farm/ ranch

Eliminate property ownership burdens

Payments for life

Reduce your estate-tax liability

Eliminate property ownership burdens

Possible rental income or lump sum payment





Haven For Hero's

END VETERAN HOMELESSNESS



DESIGNED BY
NORTH STAFFORD HIGH SCHOOL
GRAPHIC IMAGING TWO STUDENTS