

[previous](#) | [next](#)**22VAC40-41-40. Value of donations.**

A. The approved organization is responsible for maintaining documentation as required by the Department of Social Services to verify the date and value of all donations.

B. The value of donations of cash, including stocks, real estate, and merchandise to be used by the approved organization is the value determined for federal tax purposes using IRS regulations (26 CFR 1 et seq., and as amended).

C. The value of merchandise donated to be sold, auctioned or raffled is the lesser of the value determined for federal tax purposes using IRS regulations or the actual proceeds received by the approved organization.

D. The value assigned for donated rent/lease of the approved organization's facility must be reasonable and cannot exceed the prevailing square footage rental charge for comparable property.

E. The value of professional and contracting services is determined as follows:

1. When a business donates professional or contracting services provided by employees, the value of the donation shall be equal to the salary that such employee was actually paid for the period of time that such employee rendered professional or contracting services to the approved organization. Operating overhead and benefit costs are not included in determining the value.

2. When a sole proprietor, partner in a partnership, or member of a limited liability company renders professional or contracting services to an approved organization, the value of the professional or contracting services shall not exceed the lesser of the reasonable cost for similar services from other providers or the maximum amount set forth in §§[63.2-2004](#) and [63.2-2005](#) of the Code of Virginia.

Statutory Authority

§§[63.2-217](#) and [63.2-2002](#) of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume 15, Issue 9, eff. February 17, 1999; amended, Virginia Register Volume 18, Issue 12, eff. April 1, 2002; Volume 23, Issue 22, eff. September 1, 2007.

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