



RURAL BUSINESS DEVELOPMENT TAX CREDIT PROGRAM (RBDTC)
Documentation Requirements for RBDTC Contributions

The following types of contributions are eligible for tax credits when contributed by qualifying Kansas businesses and individuals. All applications for tax credits must include the documentation as described below. Applications submitted without the necessary documentation will not be processed. *Minimum* contribution value allowed for all items below is \$250.00.

Cash Contributions: Proof of documentation must be copy of check(s), credit card receipt (s) with signature of contributor included, or receipt(s) for cash with signature of contributor included. Contributions in the form of a check must be made payable to and endorsed by the selected regional foundation and specifically noted for the approved project. The date of the check is considered the date of donation.

Stocks and Bonds: Required is a copy of the confirmation order or letter from the financial services representative of the contributor verifying the transfer of stocks/bonds from the contributor to the selected regional foundation, and indicating the name of the stock/bond, the number of shares, the price per share, the date of donation of stock/bond, and the total value of the stocks or bonds donated to the regional foundation by the contributor. Stocks/bonds contributed shall be valued at the average stock/bond price (High trade price + Low trade price divided by 2) on the date of transfer. For example: a regional foundation receives 100 shares of XYZ Corporation on July 1, 2005. Average price per share is \$30. (High price of \$40 + low price of \$20 divided by 2). Total value contributed to the regional foundation would be \$3,000 (100 shares x \$30/share). Tax credit to contributor would be \$1,500.

Personal Property Items: Documentation would be a copy of an invoice showing the cost to the contributor or current fair market value, whichever is less. Used equipment invoices shall be submitted with an appraisal of the fair market value of the contributed item or items. Items contributed and tax credits calculated shall be valued at the lesser of its fair market value or cost to the contributor minus costs incurred in making the contributions. Such costs shall not include sales taxes or profit margins. Used clothing shall not be included as an eligible personal property item for contribution. For *privately held* stocks or bonds, proof of value shall be documented by an independent appraiser as to the value or cost on the date of acquisition and on the proposed date of transfer. The appraiser shall indicate such appraiser's method of valuing the stock or bond. The tax credit shall be the difference between the cost of an acquisition of the privately held stock or bond and the current value on the stock or bond.

Real Estate Contributions: Documentation shall be a copy of title deed or policy and at least two written appraisals of the real estate. The real estate must be conveyed by the donor of the real estate in fee simple absolute title. "Fee simple absolute" means an absolute title to real estate, free of any liens against the title, which one can sell or pass to another by will, inheritance, or transaction. The tax credit allowed shall be based upon the lesser of two current independent appraisals conducted by state-licensed or certified appraisers, transitional state-licensed or certified appraisers, county appraisers, or an appraiser that is a member of a nationally recognized real estate appraisal organization.

Payroll Deductions: Documentation shall be a copy of payroll deduction records for the contributor that includes the amount of deduction, dates, name of regional foundation and project receiving contribution, and total amount of contributions.