

Gift Acceptance Policy

Federal Tax Defense Foundation, Inc.

Federal Tax Defense Foundation, Inc. (the "Foundation"), a Florida nonprofit corporation, is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (EIN 39-2164834) and operates a Low Income Taxpayer Clinic (LITC) partially funded by the Internal Revenue Service. This Gift Acceptance Policy governs the solicitation, acceptance, recording, and acknowledgment of all charitable contributions to the Foundation.

1. Purpose

The purpose of this policy is to (a) ensure that all gifts further the Foundation's tax-exempt mission of providing free or low-cost representation to low-income taxpayers in disputes with the Internal Revenue Service, (b) protect the donor's intent and the Foundation's reputation, (c) maintain compliance with federal tax law, IRS Publication 1771 substantiation rules, the LITC Program guidelines, and Florida Statutes Chapter 496 (Solicitation of Contributions Act).

2. Mission Alignment

All gifts must be consistent with and supportive of the Foundation's stated mission. The Foundation reserves the right to decline any gift that is inconsistent with the mission, that would create an unacceptable conflict of interest, that would expose the Foundation to legal liability, or that would impose financial or administrative burdens disproportionate to its value.

3. Types of Gifts Accepted

Subject to this policy, the Foundation accepts the following types of contributions:

- **Cash** — checks, ACH transfers, credit-card and debit-card payments processed through approved third-party platforms.
- **Publicly traded securities** — accepted at fair market value on the date of transfer; sold promptly upon receipt unless the Board directs otherwise.
- **Restricted gifts** — accepted only when the restriction is consistent with the mission and operationally feasible; documented in a written gift agreement signed by the donor and the Foundation.
- **Donor-Advised Fund (DAF) grants** — accepted from any qualified sponsoring organization. The Foundation acknowledges DAF grants in compliance with IRS rules; the donor receives no personal benefit beyond what is permitted.
- **Matching gifts** — the Foundation will furnish documentation reasonably required by an employer's matching-gift program.
- **In-kind gifts** — accepted only after written approval by the Executive Director when the asset is usable for clinic operations (e.g., software, books, office equipment).

- **Bequests and planned gifts** — accepted in any amount; the Foundation encourages donors to consult independent legal and tax counsel.

4. Types of Gifts Generally Not Accepted

- Real property, closely held securities, partnership interests, cryptocurrency, art, vehicles, or any non-cash asset whose acceptance the Executive Director determines may impose unreasonable risk or cost; such gifts may be considered case-by-case with Board approval.
- Gifts that are illegal, that would jeopardize the Foundation's tax-exempt status, or that originate from a source involving a conflict of interest with a current Foundation client matter.
- Anonymous gifts where source-of-funds verification is not reasonably possible.

5. Donor Recognition and Acknowledgment

The Foundation provides a written acknowledgment for every contribution that satisfies the substantiation requirements of IRC § 170(f) and IRS Publication 1771. The acknowledgment will state the amount of cash received or describe (without valuing) any non-cash property and will indicate whether any goods or services were provided in exchange for the gift.

6. No Quid Pro Quo for Client Services

Donations are voluntary and unrelated to eligibility for clinic services. The Foundation does not condition representation on a donation; it does not solicit donations from active clients during the pendency of their controversy; and it does not provide preferential treatment based on contribution history.

7. Cy Pres Reallocation

If a restricted purpose becomes impossible, impracticable, or no longer consistent with the mission, the Board of Directors may, after consultation with the donor where reasonably feasible, reallocate the gift to a substantially similar purpose under the doctrine of cy pres or equivalent state law, in order to preserve the donor's general charitable intent.

8. Conflicts of Interest and Independent Advice

The Foundation will not provide legal, tax, or financial advice to donors regarding their gifts. Donors are urged to obtain independent advice. Foundation directors, officers, employees, and volunteers must comply with the Foundation's Conflict of Interest Policy in all matters relating to gifts.

9. Privacy and Data Protection

Donor information is treated as confidential and used solely for receipting, acknowledgment, regulatory reporting, and Foundation communications. Donors may opt out of communications and may request anonymity in public listings.

10. Florida Solicitation Disclosure

"A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE 1-800-435-7352 WITHIN THE STATE. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL, OR RECOMMENDATION BY THE STATE."

11. Policy Review

The Board of Directors reviews this policy at least annually. Amendments require Board approval and take effect upon written adoption.

Adopted by the Board of Directors on May 6, 2026. Federal Tax Defense Foundation, Inc., 9600 NW 38th Street, Suite 203, Doral, FL 33178. Phone (877) 829-6742. Email info@federaltaxdefense.org.