

PI SHORT-TERM MISSION TRIPS AND THE IRS

This letter is to provide clarification concerning tax deductions, charitable contribution deductions and tax write-offs concerning Partnership International (PI) sponsored mission trips.

Q. Is my donation to PI to help pay for a friends mission trip considered tax deductible?

In order to receive a tax deduction for your donation, the IRS is very specific regarding sponsorship of a participant for short-term mission trips. Tax-deductible contributions toward a short-term mission trip must be made payable to or for the use of Partnership International Inc. Contributions are solicited with the understanding that Partnership International Inc. has complete discretion and full control over the use of all donated funds. This means that Partnership International Inc. will decide how to use the donated funds for the designated mission trip. No participant will have any discretion or control of the donated funds. Our mission team's effectiveness in raising funds will be monitored by a list of donors provided by the participants. All funds raised beyond the requirement of the participants will be allocated to cover the costs of the mission trip. Please do not designate who the funds are for in the memo section of the check otherwise your donation will no longer be tax deductible.

Q. When I pay for a short term mission trip for myself out of my own pocket is that deductible?

Yes. Any short term mission trip that you pay for yourself, spouse included, is deductible on your tax return as a short term mission trip. As with any tax deduction the IRS requires substantiation (proof) that you actually took the trip. You must save any and all receipts such as airline ticket stubs and boarding passes, food receipts, transportation receipts and any other receipt that would prove you actually did what you are claiming you did. If the church arranged the trip (purchased tickets and accommodations) and you paid the church for your trip you would still have airline ticket stubs and other receipts that substantiate you took the trip. You would also have your cancelled check or credit card receipt as proof you paid the church for your trip. Hang on to everything!

Q. If my church uses a third party company to manage, arrange and handle financial arrangements for missions trip does anything change?

Yes. Under an arrangement like this, where the church uses an outside organization to manage all planning and funding aspects of its mission trip, you would be able to donate money on behalf of anyone's trip and receive the charitable contribution deduction for tax purposes. The IRS recognizes that third party organizations maintain a certain level of accountability and control that allows them to give the tax deduction