

# University of Maine System

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Effective 4/17/08

## ADMINISTRATIVE PRACTICE LETTER

**SUBJECT: IRS REQUIRED FORMS FOR GIFTS TO THE UNIVERSITY  
AND RECEIPT OF CASH IN EXCESS OF \$10,000**

### GENERAL

Two separate IRS requirements affecting certain gifts to the University are brought to your attention in this letter and procedures are established to assure full compliance with these requirements.

The IRS requires taxpayers to provide the IRS with a report and appraisal of all noncash gifts (except certain publicly traded securities) on which the donor claims a charitable contribution deduction in excess of \$5,000. An authorized University official must sign the taxpayers report (Form 8283), and the University must notify the IRS (Form 8282), if the property so received is disposed of within three years.

Under separate regulations all coin and currency receipts in excess of \$10,000, including gifts, must be reported to the IRS (Form 8300) within 15 days. This requirement does not apply to gifts in the form of checks or other negotiable instruments.

### REQUIREMENTS FOR NONCASH CONTRIBUTIONS

Taxpayers claiming a deduction for charitable noncash contributions must file Form 8283 Noncash Charitable Contributions, if the total claimed value of all property contributed exceeds \$500. In order to maintain good donor relations, the campus Development Office should send individual donors Form 8283 and the accompanying instructions any time the University receives noncash contributions exceeding \$500 in value. If the value of one item or group of similar items, other than certain publicly traded securities, exceeds \$5,000, the donor generally must have a written appraisal (but is under no obligation to share this information with the University) and must submit Form 8283 to the Donee institution for completion of Section B, Part IV, Donee Acknowledgment. The donor must complete Section B, Name, Identification Number, Description of Donated Property (line 5, col (a)), Physical Condition of Tangible Property if applicable (line 5, col (b)) and Taxpayer (Donor) Statement Part II, if applicable, prior to the execution of Part IV by the authorized University official. The campus Chief Financial Officer (or designee) is the authorized University official who should acknowledge that the donated property described in Section B, Part I has been received by the University (see Form 8283 and Instructions). A copy of the signed Form 8283 should be sent to the Office of Finance and Treasurer.

The University is required to report, on Form 8282, Donee Information Return the sale, exchange, consumption, transfer or other disposition of noncash contributions, for which the University signed, or was presented with for signature, an Appraisal Summary (Section B) on Form 8283, which exceeds \$5,000, if the disposition occurs within three years of the receipt of the contribution. See Form 8282 and more detailed instructions for completing the form.

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The campus Chief Financial Officer (or designee) is responsible for submitting Form 8282 to the IRS within 125 days after the University disposes of the property. The original form should be mailed to the Internal Revenue Service Center, Ogden, UT 84201-0027 with a copy of Form 8282 sent to the donor. A copy should also be sent to the Office of Finance and Treasurer.

### **REQUIREMENTS FOR THE RECEIPT OF CASH**

Any receipt of coin and currency in amounts exceeding \$10,000 in one transaction or two or more related transactions must be reported to the IRS on Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. See Form 8300 and more detailed instructions for completing it. The term "Cash" includes U.S. and foreign coin and currency received in any transaction.

Form 8300 must be filed by the 15th day after receipt. The form should be sent to the Internal Revenue Service, Detroit Computing Center, P.O. Box 32621, Detroit, MI 48232. A copy of the form must be retained for five years after the filing date. A copy of the completed form should also be sent to the Office of Finance and Treasurer.

Each person named on Form 8300 must receive a written or electronic statement by January 31 of the year following the calendar year in which the report was filed. The statement must show the name, telephone number and address of the information contact for the business receiving the cash, the total amount of reportable cash received during the year and must state that the information was reported to the IRS. A copy of this statement should be filed with the corresponding Form 8300 and another copy sent to the Office of Finance and Treasurer. See Exhibit A for a sample statement.

Form 8300 should be signed by the campus Chief Financial Officer (or designee).

### **Related Documents:**

Policy 706 Acceptance of Gifts, Development Activities and Fund Raising Campaigns  
IRS: <http://www.IRS.gov>

**Approved by the Treasurer of the University of Maine System. Official copy on file in the Treasurer's office.**

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**Chief Financial Officer and Treasurer**

**University of Maine System**

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***EXHIBIT A***

**SAMPLE CASH SUMMARY STATEMENT**

**January 6, 2006**

**Chief Financial Office  
University of Maine  
Two Alumni Plaza  
Orono, ME 04473  
207-581-5555**

**Ms. Jane Doe  
16 Central Street  
Bangor, ME 04401**

**Dear Ms. Doe:**

**Under Section 6050 I of the Internal Revenue Code, the University of Maine is required to report the receipt of more than \$10,000 in cash in one transaction or two or more related transactions.**

**The following is a summary of the total cash that the University of Maine received from you in such transactions during the calendar year 2005:**

<b>July 9</b>	<b>10,000.00</b>
<b>December 23</b>	<b><u>11,000.00</u></b>
<b>Total</b>	<b><u>\$21,000.00</u></b>

**Enclosed for your reference are copies of the 8300 forms used to report these transactions to the Internal Revenue Service. If you have any questions, please contact me.**

**Sincerely,**

**Chief Financial Officer**