

Virginia Department of Social Services
NEIGHBORHOOD ASSISTANCE PROGRAM
July 1, 2022 – June 30, 2023

CONTRIBUTION NOTIFICATION FORM A (CNF-A)

To be used for all **Business** donations of cash, stock, merchandise, real estate or rent/lease of the organization's facility

PART I: TO BE COMPLETED BY DONOR (TYPE or PRINT ONLY)

1. Tax ID #: (Provide only one SSN or EIN #) Enter the EIN or SSN in the column to the right.	EIN: _____ SSN: _____ A Sole Proprietor must use SSN #. A Sole Proprietor must file IRS Schedule C or F for a business.
2. Name of Donating Business: (Provide the legal name of the business associated with Tax ID #)	_____
3. Business Type: (Refer to the instructions on back)	_____
4. Business Structure:	<input type="checkbox"/> LLP <input type="checkbox"/> S-Corp <input type="checkbox"/> PC <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> PLLC <input type="checkbox"/> PLC <input type="checkbox"/> Corporation <input type="checkbox"/> LP <input type="checkbox"/> Sole Proprietor (Sole Proprietor must file IRS Schedule C or F)
5. Contact Person: (Full Name)	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr. (check one)
6. Mailing Address: _____ Street: City, State, Zip: _____	_____
7. Telephone Number with Area Code:	_____
8. Donation Type:	<input type="checkbox"/> Merchandise <input type="checkbox"/> Real Estate <input type="checkbox"/> Stock <input type="checkbox"/> Cash <input type="checkbox"/> Rent/Lease of the organization's facility

Each donation type requires a separate CNF, and each form must meet the minimum \$616 donation requirement. The value of merchandise donated to be sold, auctioned or raffled is the lesser of the actual book cost of the item or the proceeds received by the NAP organization. Exception for vehicles. (Refer to instructions on back).

9. Donation Dates: Dates to be completed by the NAP organization	<p>A separate CNF must be completed for donations made between July 1 and December 31 or January 1 and June 30.</p> <p>First Donation - <u>Date Received by NAP organization:</u> (mm/dd/yyyy)</p> <p>Last Donation - <u>Date Received by NAP organization:</u> (mm/dd/yyyy)</p> <p>If multiple donations are attached, enter the first date and last date of donation.</p>
10. Value of Donation: (minus any goods or services received in return for the donation)	<p>\$ _____</p> <p>The minimum donation value must be at least \$616.</p>
11. If line 10, is less than the amount listed on the check, charge, etc. enter the FMV of any goods or services that were received.	<p>\$ _____</p> <p>Write zero (0) if no goods or services were received.</p>
12. Percent of Tax Credit Offered:	<p>_____ %</p> <p>The maximum allowable tax credit equals 65%.</p>

The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation.

NOTE: Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.

PART II: CERTIFICATION BY DONOR

I certify that the value of the donation was determined in accordance with IRS standards, or the exceptions listed in the instructions. I also certify that the above information is accurate and describes a donation made to the Neighborhood Assistance Organization. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services. I understand the information listed above is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act. Please sign, date, and return this form to the NAP organization for completion. A tax credit certificate will be mailed to you from the NAP Organization.

Date Signature of Business Designee

PART III: TO BE COMPLETED BY THE NAP ORGANIZATION (TYPE or PRINT ONLY)

I certify that the above business has made the donation indicated above to this organization and I have documentation supporting the value of the donation. I understand that if I falsify information, I may be subject to penalties prescribed by the Virginia Departments of Taxation and Social Services.

To be completed if the donation was made using a third-party payment processing company.

Is the organization responsible for covering the third-party administrative fee? Yes No

If "no" is selected, deduct the administrative fee from the donation amount and enter the reduced amount on item #10 above. The tax credit certificate will reflect the donation amount minus the administrative fee. The minimum donation amount must be met after deducting the fee.

Organization Name as listed on the Certificate of Approval _____ Telephone Number (Include Area Code) _____
 Date (mm/dd/yyyy) _____ Name and Title of NAP Designee _____ Signature _____

INSTRUCTIONS FOR CONTRIBUTION NOTIFICATION FORM A (CNF-A)

PART I PLEASE PRINT LEGIBLY.

Item 1: Enter the Tax ID number of the business. Use the social security number for a sole proprietor.

Items 2: Enter the legal name of the business firm making the donation. The business name must match the supporting documentation.

Item 3: Enter one type from the following list which best describes the business:

Insurance	Bank	Law Firm	Physician/Dentist	Construction	Grocery Store	Utility
Accountant	Clinicians	Furniture Sales	Hardware Store	Designer/Artist	Rental Property	Clothing/Fabric
Machinery/Equipment	Architect	Farmer	Car Dealer	Truck Hauler	Pharmacy	Other

Item 4: Enter the business structure. All pass-through business entities must complete Form PTE Virginia Pass-Through Credit Allocation (after receipt of tax credit certificate) and send the completed form to the Virginia Department of Taxation.

Item 5-7: Name of contact person at the business, mailing address of the business and telephone number.

Item 8: Check (✓) one donation type. Each donation type requires a separate CNF and must meet the minimum \$616 donation value.

Item 9: Enter the actual date or dates (first and last) over which donation was given. These dates must be within the same program approval year. **For merchandise sold, auctioned or raffled, the date the proceeds are received is the date of donation.**

Item 10-11: Enter the value of the donation minus any goods or services received.

The reported value of the donation must be net of any goods or services received. If the organization provided the donor any goods or services in return for the amount received, the Fair Market Value (FMV) of the goods or services provided to the donor, including any items purchased through an auction, must be deducted from the total amount received by the organization. Example: A donor purchases an item, with a FMV of \$3,000, during a silent auction event for \$3,600. The value of the donation that is eligible for tax credits is \$600. The organization must attach documentation that shows the FMV of the item, amount of proceeds received, and the date the auction item was sold and the proceeds were received.

For a monetary donation, stock, merchandise (including inventory), and real estate **to be used by the approved organization**, the value of the donation is determined using IRS standards. The amount listed should normally be the same as used for federal tax purposes. (See IRS Publication 561 for additional information on determining value of donations).

Exceptions to IRS standards

The value of merchandise donated to be **sold, auctioned or raffled** is the lesser of the actual book cost of the item **OR** the proceeds received by the approved organization. The value for a donated vehicle per the Code of Virginia is the actual business cost. Refer to the Donor Fact Sheet for more information.

For Rent/Lease of Organization's Facility: The value assigned for donated rent or lease of property cannot exceed the prevailing square footage rental charge for comparable property and must be agreed to by the donor and the NAP organization prior to the lease being signed. The NAP organization is responsible for obtaining documentation verifying reasonable costs for comparable property.

Item 12: Enter the percent of tax credit offered: A donor must agree, in writing, to accept tax credits for less than 65 percent of the value of the donation. The donor must complete a Tax Credit Percentage Agreement form if accepting tax credits for less than 65 percent of the value of the donation. *The written agreement must be submitted to the Virginia Department of Social Services.*

PART II Sign and date the certification). Return the CNF with supporting documentation to the NAP organization.

General:

- Donations must be made **directly** to the approved NAP organization with no strings attached and without any conditions or expectation of monetary or other benefits from the NAP organization.
- Discounted property (partial donations) or bargain sales are not allowable for NAP donations.
- Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation, or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.
- The NAP organization must attach copies of supporting documentation (see Reference Sheet) for all donations. Retain copies of all donor documentation in your files. Failure to do so may result in a donor's loss of the tax credit.

- For more information contact the NAP office at nap@dss.virginia.gov