

**AUDI CLUB NORTH AMERICA  
DRIVING SCHOOL FINANCIAL POLICIES AND PROCEDURES**

**INDEX**

- A** Instructors/event master, board member – deductible expenses
- B** Event sponsors
- C** Support form

## **General comment**

One of the key factors that the IRS recognizes in allowing the tax-exempt status for a not-for-profit corporation to continue is public support and non-reimbursable contribution made by members and sponsors of the corporation. It is important that ACNA have procedures in place to document these contributions and to provide members and sponsors with appropriate documentation supporting their contributions.

### **EXHIBIT A - Instructors/event master – deductible expenses**

ACNA is a 501 (c) (3) not-for-profit corporation. Accordingly instructors and event masters may take a charitable contribution for certain expenses incurred by them at any ACNA driving event.

The charitable deduction is allowable if the person itemizes deductions on their individual federal tax return. The allowable deduction on state returns will vary from state to state (consult your tax advisor).

- The standard allowable rate for charitable contributions is \$ .14 per mile, for mileage to and from the event, not for mileage incurred on a track, a training facility, or other types of events such as a fun ride or road rally.
- Meals (50%) and hotel expenses (100%) incurred while at the event and incurred going to and back from the event is deductible as a charitable contribution.
- Airline airfare incurred to attend an event also constitutes an allowable charitable deduction.

Board members attending meetings, who do not request reimbursement from ACNA, may also deduct any of the expenses listed above.

Non-deductible expenses include wear and tear on an automobile including tires, oil, washer fluids, insurance, maintenance expenses and mechanical upgrades to the car.

The deductions must be supported by completion of the attached form C. Send ACNA a copy of the completed form and keep a copy for your files. The ACNA National office will acknowledge your donation form and return a signed copy for your tax records.

### **EXHIBIT B – Sponsors**

Financial sponsorship of events is critical to most of our club events whether it be AoA, local dealerships, automobile parts suppliers and individuals. Each of these groups is entitled to written notification of the amount of their contribution to provide appropriate documentation for a deduction on a federal or state tax return. Again, It is important that ACNA have procedures in place to document these contributions and to provide sponsors with appropriate documentation supporting their contributions.

Members, officers and staff of ACNA are forbidden from concluding private agreements with sponsors under any circumstances. If the amounts are included in the financial records of a chapter, the IRS requires complete transparency as to the type and amount of these contributions. Failure to comply with this provision automatically constitutes a serious breach of ACNA by-laws and ethics as such actions could jeopardize the tax-exempt statutes of ACNA.

["Audi Club North America does not represent or warrant the tax effects that may result from the above procedures in each and every case. The reader is advised not to rely upon the above procedures for tax purposes and to seek independent tax advice through a competent accountant or attorney so as to evaluate the facts and the tax effects in the reader's own situation."](#)

**FORM C**

**AUDI CLUB NORTH AMERICA  
CONTRIBUTION SUPPORT FORM  
(Effective until December 31, 2008)**

Event name \_\_\_\_\_ Date held \_\_\_\_\_

ACNA chapter \_\_\_\_\_ Submitted by \_\_\_\_\_

Donor name and address \_\_\_\_\_

\_\_\_\_\_, e-mail address \_\_\_\_\_

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**Instructor, event master, board member contribution**

Mileage (\$ .14) per mile, from \_\_\_\_\_ to \_\_\_\_\_

Total mileage to and from the event \_\_\_\_\_ \$ \_\_\_\_\_

Meals, copy of receipt attached @ 50% \_\_\_\_\_

Hotel, copy of receipt attached @ 100% \_\_\_\_\_

Airfare, copy of receipt attached @ 100% \_\_\_\_\_

**Total contribution** \$ \_\_\_\_\_

**Sponsor contribution**

Cash, check number if available \_\_\_\_\_ \$ \_\_\_\_\_

Merchandise:

Item(s) or in-kind contribution \_\_\_\_\_

\_\_\_\_\_

Contribution by a business (valued at the contributors cost) \_\_\_\_\_

Contributions by an Individual (valued at fair market value \_\_\_\_\_

**Total contribution** \$ \_\_\_\_\_

ACNA approval of submission by \_\_\_\_\_ Date \_\_\_\_\_

Recorded in ACNA financial statements as of the month and year ending \_\_\_\_\_

An e-mail thank you will be sent to the donor by ACNA.