

basis, special factors will not be furnished with respect to such part. Requests should be forwarded to the Commissioner of Internal Revenue, Attention: OP:E:EP:A:1, Washington, DC 20224.

(f) *Effective/applicability date.* This section applies to contributions made after July 31, 1969.

[T.D. 7370, 40 FR 34337, Aug. 15, 1975, as amended by T.D. 7955, 49 FR 19975, May 11, 1984; T.D. 8540, 59 FR 30102, 30104, June 10, 1994; T.D. 8819, 64 FR 23228, Apr. 30, 1999; T.D. 8886, 65 FR 36909, 36943, June 12, 2000; T.D. 9448, 74 FR 21439, 21518, May 7, 2009; 74 FR 27079, June 8, 2009]

§ 1.170A-12T Valuation of a remainder interest in real property for contributions made after July 31, 1969 (temporary).

(a) through (b)(1) [Reserved] For further guidance see § 1.170A-12(a) through (b)(1).

(b)(2) *Computation of depreciation factor.* If the valuation of the remainder interest in depreciable property is dependent upon the continuation of one life, a special factor must be used. The factor determined under this paragraph (b)(2) is carried to the fifth decimal place. The special factor is to be computed on the basis of the interest rate and life contingencies prescribed in § 20.2031-7T (or for periods before May 1, 2009, § 20.2031-7A) and on the assumption that the property depreciates on a straight-line basis over its estimated useful life. For transfers for which the valuation date is on or after May 1, 2009, special factors for determining the present value of a remainder interest following one life and an example

describing the computation are contained in Internal Revenue Service Publication 1459, "Actuarial Valuations Version 3C" (2009). This publication will be available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at <http://www.irs.gov>. For transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, special factors for determining the present value of a remainder interest following one life and an example describing the computation are contained in Internal Revenue Service Publication 1459, "Actuarial Values, Book Gimel," (7-99). For transfers for which the valuation date is after April 30, 1989, and before May 1, 1999, special factors for determining the present value of a remainder interest following one life and an example describing the computation are contained in Internal Revenue Service Publication 1459, "Actuarial Values, Gamma Volume," (8-89). These publications are no longer available for purchase from the Superintendent of Documents, United States Government Printing Office. However, they may be obtained by requesting a copy from: CC:PA:LPD:PR (IRS Publication 1459), Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. See, however, § 1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances). Otherwise, in the case of the valuation of a remainder interest following one life, the special factor may be obtained through use of the following formula:

$$\left(1 + \frac{i}{2}\right) \sum_{t=0}^{n-1} v^{t+1} \left[\left(1 - \frac{l_{x+t+1}}{l_x}\right) - \left(1 - \frac{l_{x+t}}{l_x}\right) \right] \left(1 - \frac{1}{2n} - \frac{t}{n}\right)$$

Where:

n = the estimated number of years of useful life,
i = the applicable interest rate under section 7520 of the Internal Revenue Code,
v = 1 divided by the sum of 1 plus the applicable interest rate under section 7520 of the Internal Revenue Code,
x = the age of the life tenant, and

lx = number of persons living at age x as set forth in Table 2000CM of § 20.2031-7T (or, for periods before May 1, 2009, the tables set forth under § 20.2031-7A).

(3) The following example illustrates the provisions of this paragraph

(b): *Example.* A, who is 62, donates to Y University a remainder interest in a personal

residence, consisting of a house and land, subject to a reserved life estate in A. At the time of the gift, the land has a value of \$30,000 and the house has a value of \$100,000 with an estimated useful life of 45 years, at the end of which period the value of the house is expected to be \$20,000. The portion of the property considered to be depreciable is \$80,000 (the value of the house (\$100,000) less its expected value at the end of 45 years (\$20,000)). The portion of the property considered to be nondepreciable is \$50,000 (the value of the land at the time of the gift (\$30,000) plus the expected value of the house at the end of 45 years (\$20,000)). At the time of the gift, the interest rate prescribed under section 7520 is 8.4 percent. Based on an interest rate of 8.4 percent, the remainder factor for \$1.00 prescribed in § 20.2031-7T(d) for a person age 62 is 0.26534. The value of the nondepreciable remainder interest is \$13,267.00 (0.26534 times \$50,000). The value of the depreciable remainder interest is \$15,053.60 (0.18817, computed under the formula described in paragraph (b)(2) of this section, times \$80,000). Therefore, the value of the remainder interest is \$28,320.60.

(c) through (e) [Reserved] For further guidance see § 1.170A-12(c) through (e).

(f) *Effective/applicability date.* Paragraphs (b)(2) and (b)(3) apply to all contributions made on or after May 1, 2009.

(g) *Expiration date.* Paragraphs (b)(2) and (b)(3) expire on or before May 1, 2012.

[T.D. 9448, 74 FR 21440, May 7, 2009]

§ 1.170A-13 Recordkeeping and return requirements for deductions for charitable contributions.

(a) *Charitable contributions of money made in taxable years beginning after December 31, 1982—(1) In general.* If a taxpayer makes a charitable contribution of money in a taxable year beginning after December 31, 1982, the taxpayer shall maintain for each contribution one of the following:

(i) A cancelled check.

(ii) A receipt from the donee charitable organization showing the name of the donee, the date of the contribution, and the amount of the contribution. A letter or other communication from the donee charitable organization acknowledging receipt of a contribution and showing the date and amount of the contribution constitutes a receipt for purposes of this paragraph (a).

(iii) In the absence of a cancelled check or receipt from the donee chari-

table organization, other reliable written records showing the name of the donee, the date of the contribution, and the amount of the contribution.

(2) *Special rules—(i) Reliability of records.* The reliability of the written records described in paragraph (a)(1)(iii) of this section is to be determined on the basis of all of the facts and circumstances of a particular case. In all events, however, the burden shall be on the taxpayer to establish reliability. Factors indicating that the written records are reliable include, but are not limited to:

(A) The contemporaneous nature of the writing evidencing the contribution.

(B) The regularity of the taxpayer's recordkeeping procedures. For example, a contemporaneous diary entry stating the amount and date of the donation and the name of the donee charitable organization made by a taxpayer who regularly makes such diary entries would generally be considered reliable.

(C) In the case of a contribution of a small amount, the existence of any written or other evidence from the donee charitable organization evidencing receipt of a donation that would not otherwise constitute a receipt under paragraph (a)(1)(ii) of this section (including an emblem, button, or other token traditionally associated with a charitable organization and regularly given by the organization to persons making cash donations).

(ii) *Information stated in income tax return.* The information required by paragraph (a)(1)(iii) of this section shall be stated in the taxpayer's income tax return if required by the return form or its instructions.

(3) *Taxpayer option to apply paragraph (d)(1) to pre-1985 contribution.* See paragraph (d)(1) of this section with regard to contributions of money made on or before December 31, 1984.

(b) *Charitable contributions of property other than money made in taxable years beginning after December 31, 1982—(1) In general.* Except in the case of certain charitable contributions of property made after December 31, 1984, to which paragraph (c) of this section applies, any taxpayer who makes a charitable contribution of property other than money in a taxable year beginning