

113TH CONGRESS  
2D SESSION

# H. R. 4960

To amend the Internal Revenue Code of 1986 to modify the substantiation rules for the donation of vehicles valued between \$500 and \$5,000 dollars.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2014

Mr. YOUNG of Indiana (for himself, Ms. LINDA T. SÁNCHEZ of California, Mr. REICHERT, Mrs. BLACK, Mr. KELLY of Pennsylvania, Mr. NUNES, Mr. TIBERI, Mr. BOUSTANY, Mr. PRICE of Georgia, Mr. SCHOCK, Mr. PAULSEN, Mr. MARCHANT, Mr. GRIFFIN of Arkansas, Mr. NEAL, Mr. LARSON of Connecticut, Mr. PASCRELL, Mr. RANGEL, Ms. SCHWARTZ, Mr. DANNY K. DAVIS of Illinois, Mr. LEWIS, Mr. KIND, Mr. GERLACH, and Mr. RENACCI) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to modify the substantiation rules for the donation of vehicles valued between \$500 and \$5,000 dollars.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Charitable Automobile  
5       Red-Tape Simplification Act of 2014” or as the “CARS  
6       Act of 2014”.

1 **SEC. 2. MODIFICATION OF SUBSTANTIATION RULES FOR**  
2 **THE DONATION OF CERTAIN VEHICLES.**

3 (a) IN GENERAL.—Paragraph (12) of section 170(f)  
4 of the Internal Revenue Code of 1986 is amended to read  
5 as follows:

6 “(12) CONTRIBUTIONS OF USED MOTOR VEHI-  
7 CLES, BOATS, AND AIRPLANES EXCEEDING \$500 BUT  
8 NOT \$5,000.—

9 “(A) IN GENERAL.—In the case of a con-  
10 tribution of a qualified vehicle the claimed value  
11 of which exceeds \$500 but not \$5,000, para-  
12 graph (8) shall not apply and no deduction  
13 shall be allowed under subsection (a) for such  
14 contribution unless the taxpayer attaches to the  
15 return for the taxable year—

16 “(i) a statement that includes—

17 “(I) the make, model, year of  
18 manufacture, and condition of the  
19 qualified vehicle at time of donation,  
20 and

21 “(II) a good faith estimate of the  
22 value of the qualified vehicle at time  
23 of donation based on a widely avail-  
24 able used vehicle pricing guide (as de-  
25 termined by the Secretary) which  
26 takes into account unusual equipment,

1 unusual mileage, and physical condi-  
2 tion of the vehicle, and

3 “(ii) a contemporaneous written ac-  
4 knowledgment of the contribution by the  
5 donee organization which includes the fol-  
6 lowing information:

7 “(I) The name and taxpayer  
8 identification number of the donor.

9 “(II) The vehicle identification  
10 number or similar number.

11 “(III) The condition of the do-  
12 nated vehicle, including any engine  
13 trouble, body damage, high mileage,  
14 and any excessive wear and tear.

15 “(IV) Whether the donee organi-  
16 zation provided any goods or services  
17 in consideration, in whole or in part,  
18 for the qualified vehicle.

19 “(V) A description and good  
20 faith estimate of the value of any  
21 goods or services referred to in clause  
22 (iv) or, if such goods or services con-  
23 sist solely of intangible religious bene-  
24 fits (as defined in paragraph (8)(B)),  
25 a statement to that effect.

1           “(B) INFORMATION TO SECRETARY.—A  
 2           donee organization required to provide an ac-  
 3           knowledgment under this paragraph shall pro-  
 4           vide to the Secretary the information contained  
 5           in the acknowledgment. Such information shall  
 6           be provided at such time and in such manner  
 7           as the Secretary may prescribe.

8           “(C) QUALIFIED VEHICLE.—For purposes  
 9           of this paragraph, the term ‘qualified vehicle’  
 10          means any—

11                   “(i) motor vehicle manufactured pri-  
 12                   marily for use on public streets, roads, and  
 13                   highways,

14                   “(ii) boat, or

15                   “(iii) airplane.

16          Such term shall not include any property which  
 17          is described in section 1221(a)(1).

18           “(D) REGULATIONS OR OTHER GUID-  
 19           ANCE.—The Secretary shall prescribe such reg-  
 20           ulations or other guidance as may be necessary  
 21           to carry out the purposes of this paragraph.”.

22          (b)       CONFORMING        AMENDMENT.—Section  
 23          170(f)(11)(A)(ii)(I) of such Code is amended—

24                   (1) by inserting “and” before “publicly”, and

1           (2) by striking “and any qualified vehicle de-  
2       scribed in paragraph (12)(A)(ii) for which an ac-  
3       knowledgment under paragraph (12)(B)(iii) is pro-  
4       vided”.

5       (c) EFFECTIVE DATE.—The amendment made by  
6 this section shall apply to taxable years beginning after  
7 December 31, 2014.

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