



MEMO

From The Desk of: Donovan R. Quarry

VEHICLE DONATION PROGRAM FREQUENTLY ASKED QUESTIONS

WILL MADF HANDLE EVERYTHING FOR ME?

Yes, MADF has partnered with Charitable Auto Resources, Inc (CARS) based in San Diego California. MADF and CARS have a contractual agreement to process all vehicle donations. CARS is owned and operated by a non-profit social service agency that works with many public broadcasting stations and other nonprofit organizations across the country in outsourcing their vehicle donation program. MADF screened CARS thoroughly for customer service policies and references and selected them among many organizations. They have been chosen because of their expertise, and all calls and issues will ultimately be referred to CARS.

DOES MY CAR HAVE TO BE RUNNING TO DONATE IT?

No, we are able to accept most vehicles running or not. Exceptions include older vehicles whose value would not offset the cost of towing. Most vehicles need to be intact and in towable condition. However, to find out if we can accept your vehicle, please complete our secure online donation form or call us toll-free at 855-500-RIDE(7433) seven days a week.

HOW WILL MY CAR BE PICKED UP?

We will arrange to have your vehicle towed away at a scheduled time convenient for you. The vehicle will be picked up by a licensed tow company at no cost to you and will be taken to our sale location.

DO I HAVE TO BE WITH THE VEHICLE AT THE TIME OF PICK-UP?

No. Special arrangements can be made by calling our representative.

WHAT PAPERWORK DO I NEED?

The only paperwork needed is a signed, clear title. *Have your title with you when you start your donation process.* [Please note: a clear title indicates the title is in the name of the donor without a lien].

WHAT IF MY CAR WON'T PASS THE STATE INSPECTION?

We can accept vehicles without a state inspection sticker or current registration as long as there is a clear title.

WHAT DO I NEED TO DO BEFORE THE VEHICLE IS PICKED-UP?

It is your responsibility to take possession of the vehicle tags when the pick-up is made, as required by law. It is also your responsibility to remove any registration, inspection or parking stickers or other items from the vehicle (including the trunk, cabin or glove box) as necessary, or as required by law.

WHAT IF I RECEIVE LEGAL NOTICES?

In the rare event that you receive any notification of a lien sale, DMV actions or other activity related to your donated vehicle, please contact us at 855-500-RIDE(7433) immediately for assistance.

WILL I GET A TAX RECEIPT FOR MY DONATION?

Yes, our driver will issue a receipt at the time of pick-up. This is not the final tax receipt if the sale price of your vehicle exceeds \$500. This initial acknowledgement will indicate the donor's name as well as the year, make, model and condition of the car being donated. It will be the only receipt if the vehicle sells for \$500 or less. If that happens, it is up to the donor to determine the value of their deduction as long as it is \$500 or less.

HOW DO FEDERAL VEHICLE DONATION LAWS AFFECT MY TAX DEDUCTION?

For vehicles that sell for more than \$500, donors are no longer responsible for determining the deductible value of their donation. Instead, they will receive IRS Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes if the proceeds from the sale exceed \$500, stating the amount of the gross proceeds from the sale of the donated vehicle. The amount listed on IRS Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes will be the gross proceeds of the deductible donation.

WHAT CAN I CLAIM AS A DEDUCTION?

According to the tax law effective January 1, 2005, if the claimed value of the donated vehicle exceeds \$500, the taxpayer is limited to the gross proceeds of the sale.

An IRS Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes will be mailed to the donor within 30 days of the sale. It will state the amount of gross proceeds received from the vehicle, provided the vehicle sold for more than \$500 and if the donor

provided their Social Security number. This will be the tax receipt for the charitable contribution.

If a vehicle sells for \$500 or less, it will be up to the donor to determine the value of their deduction as long as that figure is \$500 or less.