

A quid pro quo disclosure for a fundraising event is a required written notice that a nonprofit must give donors any time the donor receives something in return for their donation.

When is it required?

If a donor makes a payment of more than \$75 *and* receives goods or services in exchange (such as dinner, entertainment, golf, a gift basket, etc.), the nonprofit must provide a disclosure.

What must the disclosure say?

The IRS requires the nonprofit to clearly tell the donor:

1. That their contribution is tax-deductible only to the extent it exceeds the fair market value (FMV) of the goods/services received, and
2. A good-faith estimate of the FMV of those goods/services.

Sample Quid Pro Quo Disclosure

You can use or adapt this for your event materials, receipts, or acknowledgement letters:

"Under IRS rules, only the portion of your contribution that exceeds the fair market value of the goods or services you received is tax-deductible. We estimate the fair market value of the benefits you received to be \$____. Please consult your tax advisor for details."

Example

If you sell event tickets for \$150, and the dinner and entertainment are valued at \$60, the disclosure must state:

- Donation amount: \$150
- FMV received: \$60
- Tax-deductible portion: \$90

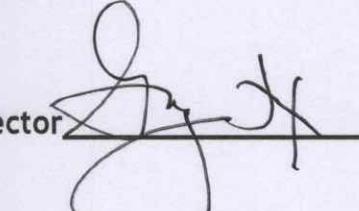
Where to include it

- Event ticketing page
- Printed event invitations
- At check-in tables
- On receipts or thank-you letters after the event

Important

Even if you're a 501(c)(3), you must provide the disclosure; failing to do so can lead to IRS penalties.

Board President Traci Joy Date 12/24/25

Executive Director  Date 12/24/25

