

HOW CAN I DONATE A PROFESSIONAL SERVICE FEE FROM ANOTHER UW DEPARTMENT TO THE HEALTH SCIENCES LIBRARIES?

If another UW department offers you payment for professional services (e.g., for a speaking engagement or for teaching a class), and you want to donate your fee to the Health Sciences Libraries (thank you!), there are a few ways to accomplish this, with different income declaration, tax deduction and donor acknowledgment consequences.

SCENARIO A: UW DEPARTMENT WRITES CHECK TO YOU, YOU CASH IT, THEN YOU WRITE A CHECK TO THE UW

1. Do you have to declare the payment as income?

Yes--payment is through UW Payroll. If you wish, you can deduct what you estimate to be the tax you'll incur on this payment before writing your donation check to the UW.

2. Who is the acknowledged donor?

You are the donor--UW Central Development will send you a receipt

3. Is the payment tax deductible?

Under certain circumstances this is considered a tax-deductible gift for you--check with your accountant.

What to do:

Print out the *Letter of Intent for Professional Service Fee Donations (Service Rendered to Another UW Department)* and follow the outlined steps, **checking paragraph A.**

SCENARIO B: UW DEPARTMENT WRITES CHECK TO YOU, AND YOU ENDORSE THIS CHECK FOR DONATION TO THE HSL UNRESTRICTED FUND

1. Do you have to declare the payment as income?

Yes--payment is through UW Payroll.

2. Who is the acknowledged donor? and 3. Is the payment tax deductible?

See Scenario A.

What to do:

Print out the *Letter of Intent for Professional Service Fee Donations (Service Rendered to Another UW Department)* and follow the outlined steps, **checking paragraph B.**

SCENARIO C: UW DEPARTMENT TRANSFERS YOUR FEE FROM THEIR BUDGET TO THE HSL UNRESTRICTED FUND BUDGET

1. Do you have to declare the payment as income? No.

2. Who is the acknowledged donor? and 3. Is the payment tax deductible?

This is considered an internal transfer of funds--there are no *new* gift funds, there is no donor, there are no tax issues.

What to do:

This scenario is only possible if a gift budget (usually an unrestricted budget) is paying the fee. (State budgets are not allowed to transfer funds to gift budgets to pay honoraria; grant budgets are not allowed to transfer funds to gift budgets.) If you would like to look into this possibility, give HSL Fiscal Staff the name and phone number of your contact in the paying UW department.