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Accordingly, you should increase charitable donations at the end of 2023 if you're sure you'll be itemizing this year. Otherwise, you may as well postpone donations to 2024, especially if you have a shot at itemizing next year. A few days here or there in late December can make a big tax difference.

Under current law, you can deduct the full amount of monetary contributions made to qualified charitable organizations, up to 60% of your adjusted gross income (AGI). Any excess is carried over for up to five years. To qualify for charitable deductions, you must be able to provide a bank record or written word communication from a qualified charitable organization, showing the following:

- The amount of the contribution.
- The date the contribution was made.
- The name of the charitable organization.

This means you can't write off a few spare dollars you donate here or there around the holidays. However, other donations may be substantiated by bank or credit card statements. Also, you must obtain a written acknowledgment from the charitable organization for monetary donations of \$250 or more. Obtain this acknowledgment by the earlier of the date you file your 2023 tax return or the due date, plus any extensions.

What about donations of appreciated property? Generally, these donations are limited to 30% of your AGI. On the plus side, if you donate property that would have produced a long-term capital gain had you sold it instead of donating it (i.e., you've owned the property for more than one year), you can write off an amount equal to the fair market value (FMV). Otherwise, the deduction is limited to your basis in the property.

Furthermore, the property must be used to further the charity's tax-exempt mission.

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