

What Kind of American Legion Volunteer Work Qualifies for Tax Deductions?

- Would you be traveling to the location anyway? If so, then you can't deduct the mileage. For example, if you are working as a volunteer, but you would be going to the Post or event anyway, you cannot deduct that mileage. However, if you drive to a VA center an hour away to help with an event, you can deduct that mileage.
- Volunteer work for the American Legion is work for a qualified 503 C nonprofit and expenses incurred, not for personal use, are deductible.

Document Your Trips and Keep Mileage Log

The only way to be certain that you are claiming the correct mileage is by keeping very careful records. There are many ways you can track your mileage as trips. It can be as simple as a mileage log book, which can be purchased at any office supply store, or as intricate as an Excel database that sums up the total mileage via a formula. Whichever method you choose, you'll want to track the following:

- Purpose of the trip.
- Starting mileage
- Ending mileage
- Number of miles traveled
- Were all the miles for the volunteer work, or was any percentage personal business? Watch this, because if too much of the trip was for personal reasons, you may not be able to claim the trip at all.

Finally, if you can document the purpose of the trip through any type of paperwork, be sure to keep that on file. For example, if you attend a Legion event and pay for your own stay there, you'll want to keep a receipt. Even if you are reimbursed by the Legion for the actual stay, ask for a copy of the receipt and make a note that you are not claiming the retreat itself, but simply using the receipt as documentation that this was the purpose of the trip. Also remember that you cannot double dip. If the Legion reimburses you for mileage, you cannot take a mileage deduction on your taxes.

How Much You Can Save

The amount you might save on your taxes is dependent upon the number of trips you take in your volunteer work. The reimbursement rate is typically 14 cents per mile. So, if you go on a 500 mile trip, you will be able to deduct \$70.00, plus any other expenses that are not reimbursed and not personal in nature. Be careful of deducting too many items that might cause a red flag and cause you to get audited by the IRS. It is always smart to keep excellent records in case of an audit. An audit doesn't need to be scary, if you are prepared with the correct paperwork.