

Tax Deductibility, RPAC, Issues & Mobilization, and REALTORS® Relief Foundation

- ❖ Dues to the REALTOR® organization (National, State and Local) are **not** deductible as a charitable contribution for income tax purposes, but may be deductible as an ordinary and necessary business expense.
- ❖ Below is the calculation of deductible and non-deductible amounts. Estimated lobbying expenses are not deductible.

Membership Dues & Assessments	Non-deductible Amounts (estimated lobbying expenses)	Tax Deductible Amounts
NAR Dues	57.00	93.00
NAR Ad Assessment	0	35.00
NDAR Dues	5.00	245.00
BM BOR Dues	0	170.00
Totals	\$62.00	\$543.00

RPAC and Issues Mobilization

All contributions to RPAC and Issues Mobilization are voluntary. REALTOR® Political Action Committee (RPAC) contributions can be used only for candidates and only can be made with personal check or credit card by the person making the contribution. (If two individuals are listed on a check, the person signing must be the person who is giving the contribution). Cash may be given, but only up to \$100 total. Each contribution to RPAC is split 70% NDAR/30% NAR until the NAR goal is met. After that NDAR retains 100% with the exception of Major Investors, who by law must remain at 70/30. Of the 100% or 70% kept by NDAR, 90% is available to local boards for district, county and local candidate contributions. The 10% remaining is used by the state for statewide candidate contributions. The 30% kept by NAR is used for federal candidate contributions and independent expenditures and is charged against our contribution limits under 52 U.S.C. 30116. Issues Mobilization is the REALTOR® Political Action Fund. Each contribution to Issues is split 70% NDAR/30% NAR until the NAR goal is met. Then NDAR retains 100% with the exception of Major Investors. Of the 100% or 70% kept by NDAR, 60% is available to local boards to address district, county or local issues. The 40% remaining is available to the state for statewide issues. The 30% kept by NAR is used for federal issues. Issues contributions may be made with corporate checks or credit cards and may be made on behalf of others. There is no cash limit. Checks should be made out to Issues or Issues Mobilization (not RPAC). Neither RPAC nor Issues investments are tax deductible for federal income tax purposes.

Donations made to the REALTORS® Relief Foundation are tax-deductible and completely voluntary. The REALTORS® Relief Foundation distributes one hundred percent of all funds collected to disaster relief causes. The funds are distributed on an “as-needed” basis by the Foundation’s Directors. You may obtain a copy of REALTORS® Relief Foundation’s financial report by writing to: REALTORS® Relief Foundation, 430 North Michigan Avenue, Chicago, Illinois, 60611. For more information, call 1-800-847-6500 or visit <http://www.realtor.org/topics/relief>

Other important information for you to know:

1. By-laws ARTICLE X – DUES, FEES AND FINANCES Section 3. Dues payable – Dues for all members shall be payable annually in advance on the 15th day of December. ...In the event of nonpayment of dues on or before December 15th, the membership of the non-paying member will terminate on December 31st. Reinstatement application shall apply...to any member whose dues are not fully paid by December 31st.