

WILLS AND ESTATES: GOOD NEWS MOUNTAINEER GARAGE CAR DONATION COULD BE THE ANSWER

What should we do with the car? This is a question that lawyers who specialize in wills and estates often face. No one in the family may really need mom's 93 Ford Taurus. Or the person who does inherit it may not want to bother selling it. Putting an ad in the paper and showing it yourself can be a lot of work for the return. Besides, mom was kind of attached to that car. She took good care of it and it still has a lot of life left in it. Where would she want it to go? The best answer in these situations may be to give it away - to some one who can really use it.

The Good News Mountaineer Garage (GNMG) may be the answer for:

- clients writing their wills and trying to decide who will get the car
- family members who don't know what to do with the car they have inherited
- elderly clients no longer able to drive

In each of these situations, your client may be able to reduce their tax liability and feel good about helping a fellow West Virginian.

What is the GOOD NEWS MOUNTAINEER GARAGE? It's a non profit corporation started by a group of West Virginians who wanted to help low income families go from welfare to work. The idea is a simple one- the organization receives donated used cars, reconditions them and sells them for one dollar to low income families who use them to get to work or training.

How do I know my car will go to someone who really needs it? All of the families who receive cars from the GNMG have been approved by the West Virginia Department of Human Resources under the Temporary Assistance for Needy Families (TANF) program. Only persons who need a car to get to work are eligible for the program. Good News Mountaineer Garage cars that can be used by needy families are not sold at auction. They stay on the road right here in West Virginia helping families get to work, the doctor, church and the grocery store. The only time the GNMG will sell a donated car if it is too expensive for a low income person to maintain or not suitable (a two seater sports car for instance). The proceeds from those sales go into the repair fund used to put other cars on the road.

Are there tax benefits for donating my car to the GNMG? There certainly are. Car donors can deduct the value of the vehicle as a charitable contribution from their income on their federal taxes. This is based on the NADA book value of the vehicle with adjustments for high mileage and condition of the car. If the car is worth more than \$5000, an independent appraisal is required. (See IRS Publication 561 - Determining the Value of Donated Property).

Car donors may also be eligible for a West Virginia state tax credit if they are available. The GNMG gets a limited number of Neighborhood Investment Program (NIPS) tax credits each year. The NIPS tax credit allows you to deduct up to one half the value of the vehicle straight off the state income tax that is owed. This can't exceed one half the person's state tax liability in any one year but it can be spread over a five year period.

How do I find out more about the Good News Mountaineer Garage? Call the friendly folks at 1-866-GIVE CAR or check out their website at www.goodnewsmountaineergarage.com. They have brochures that explain the program to your clients that they would be glad to send you.

Do they take cars from lawyers too? Absolutely. Check out the story of Tom Tinder's Truck in last month's Bar Journal.

The Story of a Car

Julia Jordan, BB&T Trust officer, is a firm believer in the Good News Mountaineer Garage. One of her client's estate included a 1989 Buick LeSabre with 65,000 miles on it. Neither of the beneficiaries needed it and selling it seemed like a lot of trouble.

Linda has two children and was working part time. She owned a car but it kept breaking down and she was afraid she'd lose her job. Her teenage daughter was on the basketball team but she had to quit because her mom couldn't pick her up after practice. Linda got the Buick. With a more reliable car, she was able to get a better job - full time with benefits. And her daughter is back on the basketball court.

The beneficiaries appreciated getting a break on their taxes but, more importantly, they knew this was exactly where their mom would have wanted her car to go.