

## Priority: Alzheimer's Quilts

### How To Calculate The Fair Market Value

We are asking for the Fair Market Value of all quilt donations. As the quilt maker you may be able to claim a tax deduction for your donation on your federal tax return if you itemize. If you are a quilt buyer, you may receive a tax deduction for the amount of money you paid for the quilt over and above its Fair Market Value.

For arts and crafts, the Fair Market Value is the cost of materials USED in the quilt. Think fabric, thread, batting, trim, embellishments, and stuff like that. (If you bought 1 yard of fabric and a 3" patch wound up in the quilt you can only claim the part of the fabric in the quilt, not the cost of the whole three yards. And not the whole batt either. Or the whole spool of thread...) Time, talent, expertise, reputation, energy, good intentions, or what you think the quilt should sell for are NOT part of the Fair Market Value of the quilt for amateur artists and craftspeople. It's only what you used to make the item. Let me repeat that:

Even though this sounds counter-intuitive, but:

**The Fair Market Value is NOT the amount you as the maker hope the quilt will sell for.**

I know, it seems downright unfair, but that's the way it is.

If you are a professional artist and can provide a record of previous sales of your work, with copies of receipts, or care to include a certified appraisal for your quilt, then that's different. [Email me](#) and we'll talk. [Note: auction sales for charity do not count as a fair record of sales as buyers often inflate their bids when the profits are donated to charity.]

If you're not sure how to calculate the Fair Market Value, start at \$5 and go up or down from there. If you just used itty-bitty scraps that have no value to anyone but a talented and thrifty quilter, go WAY down. Remember, the Fair Market Value is JUST what it cost to make the quilt, NOT what you hope the quilt will sell for. And no, you can't figure in the cost of the fabric you had to buy just to fussy cut that one cute little cat that appears only once every other yard, time off work, or the cost of your sewing machine, .

This information will NOT be published.

Read more: <http://www.alzquilts.org/fmv.html#ixzz0gMZJkUaI>

*From the website Alzheimer's Art Quilt Initiative*