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## **IRS final rule cites the Uniform Standards of Professional Appraisal Practice**

August 10, 2018 - Financial Digest

David Bunton,  
The Appraisal Foundation

Washington, DC The Internal Revenue Service (IRS) has issued a new rule which governs how cash and noncash charitable contributions should be valued. The new rule specifically cites the Uniform Standards of Professional Appraisal Practice (USPAP) of The Appraisal Foundation.

Effective now, the new rule, entitled “Substantiation and Reporting Requirements for Cash and Noncash Charitable Contribution Deductions,” draws specific parameters around the term “qualified appraisal.” As stated in Section III (B) of the rule, appraisals are to be performed by a qualified appraiser according to the “substance and principles of the Uniform Standards of Professional Appraisal Practice [USPAP] as developed by the Appraisal Standards Board of the Appraisal Foundation.” This clarification pertains to charitable contributions of all property types.

The Appraisal Foundation's Appraisal Standards Board (ASB) is responsible for the development and promotion of USPAP, which are the generally accepted ethical and performance standards for the appraisal profession in the United States. Since being recognized by the U.S. Congress in 1989 for real property valuation, USPAP has been widely embraced in numerous landmark court cases in all disciplines of valuation.

President of The Appraisal Foundation David Bunton said, “For the past three decades USPAP has become deeply embedded in our legal and regulatory system. This action by the IRS only underscores its importance and relevance to all valuation issues.”

Consumers wishing to make charitable contributions of property for tax deduction purposes will want to ensure that property appraisals for items worth \$5,000 or more are performed by a qualified professional in accordance with USPAP.

To learn more about USPAP, The Appraisal Foundation or for help finding an appraiser, visit [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

