

Combining travel with charity can earn you a big tax break

Volunteers can deduct travel expenses to help a nonprofit that can amount to thousands of dollars

Want to take a meaningful summer vacation and save money at the same time? Consider a trip to help a favorite cause. Doing so can also net you a federal tax deduction to save hundreds, if not thousands, of dollars.

That's what Lacy Betton and Jephthe "Jeff" Garcia are doing. The South Floridians are taking a 12,000-mile motorcycle trip this month from Key West to Alaska to raise money for the Armed Forces Relief Trust, AGAPE, Miami Rescue Mission, South Florida SPCA and United [Breast Cancer](#) Foundation. They will earn thousands of dollars in tax deductions — cutting the cost of their trip by about a quarter.

"We are two crazy, bald-headed guys going on an expedition to the Arctic for a good cause," said Betton, 64, a retired Navy officer who is military analyst at Southcom in Doral.

Uncle Sam likes what they are doing, offering tax deductions for mileage, hotels, food and other expenses. For example, they can each deduct 14 cents per mile — \$1,680 — or the actual cost of using their motorcycles for the trip.

As South Floridians continue to slog through tough economic times, some are finding they can combine a sense of adventure with charitable generosity — and save money at the same time.

"Pay it forward and get your expenses paid back," said [Sheri Schultz](#), a certified public accountant in Plantation. "The charitable deduction should be called the 'feel-good' deduction. Not only are you benefiting a charity, but you can also deduct the expenses incurred while performing your good deed."

For example, Schultz said federal tax laws allow a volunteer traveler to deduct the full cost of plane fares, tolls, lodging expenses and half the cost of food. A traveler spending \$500 for plane fare, \$600 for a motel and \$400 for meals could take a \$1,300 charitable tax deduction. A traveler in the 25 percent tax bracket would get \$325 in tax savings.

But here's an important caveat: Volunteers can't deduct their expenses unless they itemize on their taxes, said West Palm Beach certified public accountant Stephen G. Barry. "About two-thirds of taxpayers don't itemize," said Michael Dobzinski, Plantation-based spokesman for the Internal Revenue Service.

In addition, the trip should be primarily for charity. You can't claim deductions on a trip to Las Vegas because you spent a couple of hours ladling out soup at a homeless shelter.

Palm Beach County Fire Rescue video producer John "Jack" Norris has used vacation time to help build Habitat for Humanity homes in Poland, Hungary, the Dominican Republic and, recently, in Portugal. He just returned from a nine-day trip to Braga where he helped build a Habitat home.

Barry, his accountant, said he doesn't know yet what Norris' volunteer vacation expenses will be this year. But he said Norris tends to be conservative. "He usually claims only the airfare," Barry said.

For his 2010 volunteer Habitat vacation, for example, Norris claimed \$1,264 in expenses, Barry said. Since Norris was in the 25 percent income tax bracket, he saved \$316 in taxes, his accountant said.

The number of people going overseas to volunteer on Habitat projects is up by one-third over the past four years, from about 4,500 to 6,000 participants, said David Minich, head of Habitat's overseas program.

Leigh Buckner, of Fort Lauderdale, volunteers once a week at the South Florida Wildlife Center that rescues animals and birds in the tri-county area. Now she is interested in extending her charity work into taking a "volunteer" vacation. "I get mailings all the time about such trips," she said. "I would like to go."

Betton took his first volunteer vacation to Alaska and, for his second, shorter trip, biked to Canada where Viking Leif Ericson landed more than 1,000 years ago.

Betton said both trips raised about \$130,000 in donations. He only deducted the trips' mileage from his income taxes because he said he didn't know he could take more. For both trips, that amounted to about a total of \$2,900 in deductions — or \$700 in tax savings from the two trips.

For his third trip, Betton persuaded Garcia, who is the ROTC instructor at South Dade High School, to join him. The two set off June 11 and plan to be back in South Florida on July 4. Already the men are logging in more mileage than expected. "We had to take a bunch of detours because of flooding," along the Missouri River, Betton said in a telephone interview from South Dakota. He said they won't know their total expenses until they return home.

For the trip, Garcia built storage containers for his motorcycle, which accountant Schultz said can be deducted as an expense. (Track the duo's progress here: hoperider.org/). But he and Betton said they are more concerned about raising money for the charities than deducting expenses.

"The tax deduction should not be the driving force behind a good deed," accountant Schultz agreed, "but it is a beneficial side effect to charitable works."

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