



2021 Dues Deductibility Statement

Attention Members:

Compliance with the Tax Reform Act of 1993, as amended by the Tax Cuts and Jobs Act of 2017, requires that the portion of dues attributable to lobbying and political activities at the Local, State and Federal levels of government be considered nondeductible for income tax purposes. This nondeductible portion must be disclosed to members on their dues invoice each year.

For 2020, with dues at \$150 per member, NAR computes 38 percent or \$57 to be nondeductible for the member's income tax purposes due to NAR lobbying efforts. Please note that the entire \$35 Consumer Advertising Campaign special assessment qualifies as fully deductible.

For 2021, with dues at \$150 per member, NAR computes 38 percent or \$57 to be nondeductible for the member's income tax purposes due to NAR lobbying efforts. Please note that the entire \$35 Consumer Advertising Campaign special assessment qualifies as fully deductible.

In addition, contributions (including member dues) to NAR are not tax deductible as charitable contributions. However, they may be tax deductible under other provisions of the Internal Revenue Code.

Remember, for those of you who may combine both the dues for 2020 and 2021 (\$150) and Consumer Advertising assessment (\$35) into one line on your dues, you need to make sure your members know that the non-deductibility percentage applies only to the \$150, not to \$185. The \$35 is fully deductible.

Also for new members, because their National dues are prorated, for 2020 and for 2021 the 38% should be applied to the prorated amount.