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BREAKING TAX NEWS

U.S. Congress backs tax break for Asia donations
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Source: Reuters

WASHINGTON, Jan 6 (Reuters) - The U.S. Congress on Thursday approved a tax break for donations to charities supporting Asian tsunami relief efforts, allowing taxpayers to claim contributions made through January against last year's taxes.

The bill easily passed both the U.S. House of Representatives and Senate and goes to President George W. Bush for his signature.

The bill allows taxpayers to claim a tax deduction on their 2004 tax return due in April for cash donations for tsunami disaster relief made before Jan. 31. Without the change, taxpayers would have to wait until they file their tax returns in 2006 to claim a tax deduction for tsunami-related gifts made this month.

NOTE: THE PAYMENT CAN ALSO BE MADE ON A CREDIT CARD AND STILL GET THE DEDUCTION EVEN IF THE CREDIT CARD ISN'T PAID OFF WHEN YOU MAKE THE CLAIM.

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