



A Homeowner's Guide to Donating Used Building Materials

The ReUse People wants your experience donating reusable building materials to be a positive one that you can recommend to friends and neighbors who plan to rebuild or remodel. We hope the following suggestions will assist you in making your donation. Regardless of what organization receives your donation, if you have any questions or concerns, or would like additional information, please don't hesitate to call us.

Unlike many donations, a donation of reusable building materials requires more participants than simply a donor (you) and a donee (the recipient organization). Unless you, as the owner, are doing the deconstruction and salvaging work yourself, it involves a deconstruction contractor. And most of the time it requires an appraiser.

Historically, TRP has refused to work with certain appraisers. Either they were not CRA qualified, or they engaged in questionable conduct relative to government regulations. In addition, we have refused to certify (and in some cases de-certified) a number of deconstruction contractors because they were unlicensed or demonstrated substandard skills, resulting in very low salvage rates.

Determining the Value of a Donation:

- If the value of an in-kind donation is \$1,000 or greater, the CRA highly suggests hiring a qualified appraiser to value the donation. Such an appraiser will provide an appraisal report which details the items donation, the appraiser's qualifications and their method in determining value. The Donee will prepare an official donation receipt which with the appraisal report provides you the information needed to support your donation.
- Appraisers must be CRA qualified, and the appraisal must be conducted according to the standards of the Appraisal Foundation, which requires that appraisers be entirely independent.
- The materials valued by the appraiser must be listed on an official CRA donation form with specific and detailed information sufficient to support your donation.
- The materials list or inventory must be prepared by the donee in collaboration, and agreement, with the donor and be included in the appraisal report. If the inventory is prepared by either the contractor or the appraiser, the donation may be deemed invalid.

Suggestion: The donor should work directly with the donee in selecting the materials to be donated. Neither the contractor nor the appraiser is allowed to make these determinations.

Appraisers:

- Not all appraisers are qualified to appraise used building materials. A donor may think that any appraiser may conduct their donation. CRA-qualified appraisers must have the background, education, training and professional certifications in the exact type of materials they are valuing. Just because an appraiser has valued building materials for others does not mean the appraiser is CRA-qualified. Appraisers must have educational coursework and professional-level experience in valuing building materials.
- An appraiser may not appraise materials for which the appraiser has also helped the donor identify a recipient organization or a deconstruction contractor. Either of these simple acts nullifies the independence of the appraiser and may void the donation.
- Appraisers, to maintain independence, may not participate in the selection of materials to be donated. This would involve them in the donation transaction and pose a potential conflict of interest, wherein the quantity of donated materials might be inflated to increase the cost of the appraisal.

Suggestion: The donor should request a copy of the appraiser's resume before entering into any discussion of the appraisal. Additionally, donors should review the appraiser's website. If a reading of both these does not show a concentration of experience and education in used building materials then the appraisers is probably not qualified. More importantly, donors should work directly with the recipient organization in determining what is to be donated. This will help to ensure that the donation will not be later voided by the CRA.

Deconstruction Contractors:

- Not all demolition and deconstruction contractors are the same. The quality and quantity of salvaged materials varies greatly by contractor. As an owner, interested in receiving a tax credit for doing the right thing and the donating salvage materials will receive a higher tax credit only if the materials are salvaged properly.
- Simply being a contractor does not qualify a contractor to perform deconstruction. Deconstruction requires specialized skills, without which the quantity of salvaged materials may be minimal, the damage to materials may be high and the resulting tax credit may be low.

Suggestion: Obtain multiple deconstruction references and thoroughly check current references. Also check with the donee (recipient organization) to ascertain its experience with the contractor.