

2015 REALTOR® Dues Deductibility

In 1993, Congress passed a law prohibiting the deduction of the portion of members' dues that are used by an association for lobbying efforts.

Each year, SMDRA, CAR & NAR calculate the portion of our budget that is used for lobbying and determines what percent of dues should be non-deductible as a business expense for REALTORS®.

Payments to SMDRA are fully deductible as ordinary business expenses.

Payments to the Colorado Association of REALTORS® are not deductible as charitable contributions; however, such payments may be deductible as ordinary business expenses in accordance with IRS rules and regulations. The \$60.86 of your year 2015 (\$16.86 for CAR and \$44.00 for NAR) dues and \$25.00 for RPAC voluntary dues is not deductible as a business expense because this portion is used for lobbying or the support of candidates at the local, state and/or national levels. CAR estimates that \$5.00 in CAR dues will be used to reach the RPAC goal set by NAR. The \$35 NAR Consumer Awareness Assessment is fully deductible.

*A portion of your RPAC voluntary fair share amount may be used to support federal candidates and will be charged against your limits under 2 U.S.C. 441a. No later than April 1st 2015, you may check ColoradoREALTORS.com to determine the portion. After CAR reaches its RPAC goal it may elect to retain your entire contribution for use in supporting state and local candidates and issues. You may contribute more or less than the suggested RPAC amount. You may refuse to contribute the \$25.00 RPAC voluntary fair share amount without reprisal and the National Association of REALTORS® or any of its state associations or local boards will not favor or disfavor any member because of the amount contributed. Until the state PAC reaches its RPAC goal, 30% is sent to National RPAC to support federal candidates and is charged against your limits under 2 U.S.C. 441a; after the state PAC reaches its RPAC goal it may elect to retain your entire contribution for use in supporting state and local candidates.