

Re: 2021 Disclosure for Non-deductible portion of dues and RPAC voluntary dues

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 2021 annual dues, \$91.23 (\$34.23 for CAR and \$57.00 for NAR) 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. Payments to CAR and NAR are not tax deductible as charitable contributions but may be tax deductible under other provisions of the Internal Revenue Code. Please note that the entire \$35 Consumer Advertising Campaign special assessment qualifies as 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 52 U.S.C. 30116. No later than April 1, 2021, 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 or a decision not to contribute. 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 52 U.S.C. 30116; after the state PAC reaches its RPAC goal it may elect to retain your entire contribution for use in supporting state and local candidates.

Thank you!