

Patronage Supports the Arts

The great Patrons of old did not receive tax write-offs. The ancient Greek oligarchs were required by the Senate to fund the performances in the amphitheatres for the benefit of the public. The Roman Maecenas was patron of the epic poet Virgil, Cangrande della Scala of Dante, Lorenzo de' Medici of many artists and painters, none of whom received tax write-offs. They chose artists they judged worthy of civilization, for the good of the culture, mutually served it together. That required Patrons to cultivate themselves to judge aright, understand and respect the arts. The Patrons received the lasting glory of their cultured lives, munificence, and name.

The Parliament of Poets, celebrates our common humanity, peace and global community. Apollo, the Greek god of poetry, calls all the poets of the nations, ancient and modern, East and West, to assemble on the moon to consult on the meaning of modern life. The Parliament of Poets sends the main character, the Poet of the Moon, on a Journey to the seven continents to learn from all of the spiritual and wisdom traditions of humankind. Frederick Glaysher performs solo the main character, The Poet of the Moon, and Don Quixote, Merlin, Black Elk, Chief Seattle, Du Fu, Faerie Queene, Tolstoy, Dante, Job, Vyasa, Ta Chak, Rumi, Borges, Sogolon, other poets from around the world.

“A great epic poem of startling originality and universal significance, in every way partaking of the nature of world literature.” —**Hans G. Ruprecht, Carleton University, Ottawa, Canada**

“Glaysher’s hours of dedication have produced a masterpiece that will stand the test of time.” —**Poetry Cornwall, No. 36, England**

See the Impact of your Donation or Gift on Stage

Please support the Apollo’s Troupe, LLC Goal of \$100,000 for Patron Donations or Gifts to perform again in San Francisco, 8 to 12 weeks. Please share.

Paypal Donation Page for Apollo’s Troupe, LLC - EIN: 83-3830889
https://www.paypal.com/donate/?hosted_button_id=YHZQYM98A3JY8

By Check, specify Donation or Gift on the memo line, payable to Apollo's Troupe, LLC,
5224 Aintree Road, Rochester, MI 48306

Thank you for your Patronage and Donation or Gift which helps protect the artistic freedom and independence of Apollo’s Troupe. You will receive a grateful letter of acknowledgment for your support and occasionally periodic updates when timely, unless you request otherwise. I’m eager to perform again in San Francisco!

Under IRS regulations Donations supporting LLCs are not tax deductible for the donor, while Apollo’s Troupe reports Donations on a Schedule C, and, if not off-set by expenses, pays 20% or more tax. For an LLC, Gifts are not taxed. Consult with your accountant for your own tax situation.

Further taxation details on the “GPT4 Donations and Gifts to an LLC.”

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GPT4 Donations and Gifts to an LLC

Query to GPT4: For a theatre company that is a for-profit LLC, how can one determine what is a donation and what is a gift according to IRS regulations?

GPT4 returned:

For a theater company that is a for-profit LLC, distinguishing between a donation and a gift according to IRS regulations is critical because each has different tax implications. Here's how to determine the classification:

1. Definitions Under IRS Regulations

Donation:

A donation to a for-profit LLC is generally treated as income and is not tax-deductible for the donor. Donations are typically given to support the business or its activities, often with an expectation (explicit or implied) of benefits or recognition.

Gift:

A gift is a transfer of money or property made out of detached and disinterested generosity, with no expectation of receiving anything in return. The IRS distinguishes gifts from payments made with a business purpose or for services rendered.

2. Key Factors in Determining Classification

A. Motive of the Donor

Gift: If the contribution is made purely as an act of generosity, without any expectation of benefits (e.g., tickets, recognition, or advertising), it may be classified as a gift.

Donation: If the contribution is made with an expectation of promoting the donor's interests (e.g., publicity, sponsorship) or supporting the company's operations, it is treated as taxable income.

B. Exchange of Goods or Services

Gift: No goods, services, or tangible benefits are provided in return.

Donation: If the donor receives anything of value (e.g., tickets to a performance, acknowledgment in a program), the contribution is not a gift.

C. Documentation and Intent

Clear documentation stating the purpose of the contribution is crucial.

Gift: The donor explicitly states that the contribution is a personal gift with no expectations attached.

Donation: The contribution is designated to support the business's goals or activities, often with terms outlining its use.

3. Tax Implications

Gifts: Gifts are not taxable income to the LLC. The donor may be subject to gift tax rules if the amount exceeds the annual exclusion (\$17,000 in 2024). If an individual donates more than the annual gift tax exclusion (\$17,000 in 2024) to the LLC, the donor may need to file a gift tax return (IRS Form 709). This typically applies only to significant contributions.

Donations: Treated as taxable income for the LLC and must be reported as such on the business's tax return. Not tax-deductible for the donor.

4. Practical Examples

Scenario - Classification Why?

An individual gives \$500 to the LLC to support a production with no benefits in return. Gift
Given out of generosity, with no return benefit.

A company contributes \$1,000 and receives an ad in the program in return. Donation
Contribution tied to receiving advertising benefits.

A patron donates \$100 and receives a ticket valued at \$50. Donation

Payment partially offsets a tangible benefit.

A family member gives \$5,000 to help fund the business, with no repayment expected. Gift

No expectation of goods, services, or return.

5. Best Practices for For-Profit LLCs

Clarify Terms:

Clearly communicate to contributors whether they are giving a gift or making a donation to support the company.

Provide Receipts:

Acknowledge contributions in writing but avoid language suggesting tax-deductibility.

Maintain Records:

Document the intent of contributions and retain any relevant correspondence to substantiate their classification.

Consult Professionals:

Work with a tax advisor to ensure proper classification and compliance with IRS rules. By evaluating the donor's intent, the nature of the exchange, and the documentation, a theater company can accurately determine whether a contribution is a gift or a donation and handle it appropriately.

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<https://account.venmo.com/u/apollostroupe>

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Apollo's Troupe, LLC webpage

https://earthrisepress.net/apollos_troupe.html

Theatre Bay Area Profile

<https://members.theatrebayarea.org/theatredirectory/Details/apollo-s-troupe-3824673>