The Finance Team's Guide to Donating Excess Inventory

In addition to its environmental and philanthropic benefits, donation is often a more financially beneficial option than liquidation or disposal of excess inventory.

Here's how donating with WIN stacks up against the alternatives:

	Donate with WIN	Liquidate	Dispose/Scrap
Tax Treatment	Deduct cost ***plus*** half the difference between cost and FMV — up to 2× cost (C-corps, §170(e)(3))	Sale proceeds count as taxable income	Deduct cost of inventory only
Typical Return	Enhanced deduction often worth more than liquidation proceeds	~1–8% of retail value	Nothing — plus disposal costs
Effect on Income	Counts as a loss; lowers gross income	Adds to gross revenue	Cost recovery only
Brand Impact	Builds affinity with your team and customers	Risks a "fire-sale" that devalues product	No upside
What it costs you	$0 to process or accept*	Liquidator fees, low recovery	Disposal and landfill fees
Where it ends up	Nonprofits putting it to work	Secondary market	Landfill

**WIN never charges to process or accept a donation*

Curious what that looks like with your numbers?

Run them through our Inventory Donation Calculator. Already have your figures? Even better.

Inventory Donation Calculator

What to gather before you start

The more detail you provide, the faster we can confirm and place your donation. Pull together an itemized product list (Excel, CSV, or any delimited file works) with as many of these details as you have:

- [ ] **Item No. / SKU**
- [ ] **Item name or short description**
- [ ] **Quantity**
- [ ] **Unit of measurement**
- [ ] **Suggested retail or fair market value**
- [ ] **Weight and dimensions (L x W x H)**
- [ ] **Item category**
- [ ] **Long description of specs**
- [ ] **Product info and image URLs**

Don't have every field?

Send what you've got – we're used to working with incomplete lists.

What to expect

1

Share the details. First, submit your contact info and product list through our donation form.

2

We review and confirm. We'll let you know whether we can accept the donation — usually with a quick follow-up to fill in any missing product info.

3

We coordinate logistics. Together, we'll confirm shipping and schedule your donation's arrival — whether it's headed to our St. Louis warehouse or going directly to one of our member organizations. Along the way, we'll find creative ways to reduce the tax-deductible cost of shipping.

4

We receive and acknowledge. Once your goods arrive, you get a donation acknowledgment and the documentation your finance team needs.

5

Your inventory does good. We sort, catalog, and make it available to nonprofit members nationwide.

The records you'll receive for your files

- [ ] **Tax receipt for reported fair market value**
- [ ] **501(c)(3) verification/ IRS Determination Letter**
- [ ] **Prompt signature and return of your Form 8283 (prepared by your tax professional)**

WIN has connected donated inventory with nonprofits since 1991 and holds Candid's Platinum Transparency rating.

Know before your commit

- [ ] **It's usually all-or-nothing.** WIN doesn't cherry-pick the items we want and leave you with the rest. We'll tell you up front whether we can take the full donation.
- [ ] **A few things we'll politely pass on.** Hazardous items that need special disposal and expired items — though for food, we'll connect you with charity partners who can use it.
- [ ] **FMV is your call.** You set fair market value. If you'd like to audit-proof your deduction, we'd suggest a professional appraisal.
- [ ] **Loop in your CPA.** The §170(e)(3) enhanced deduction is written for C-corps, but S-corp shareholders may qualify for similar benefits. Your accountant is the final word on eligibility and numbers.

Ready to get started?

Start your donation today at winwarehouse.org/donate or contact Chris directly.

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Book a Call with Chris