APPRAISEITNOW

Donating Used Machinery and Equipment: A 2026 Field Guide to the Qualified Appraisal, Machine Hours, Running Condition and the 60-Day Signing Window

AppraiseItNow Inc.

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Educational material, not an appraisal.

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Who this guide to machinery donation appraisals is for

This guide is for anyone giving used machinery or equipment to a nonprofit and planning to claim a deduction large enough to need a qualified appraisal. It is also for the people who advise those donors. Typical readers include:

- Contractors donating a backhoe, skid steer, compact excavator or trailer to a vocational school or community organization.
- Farmers and ranchers donating a tractor, baler, sprayer or implement to an agricultural education program.
- Manufacturers and machine shops donating a lathe, mill, press brake, welder or compressor to a technical college.
- Commercial kitchens, print shops and labs donating ovens, presses, analyzers or other production equipment.
- Accountants, attorneys and financial advisers who coordinate the paperwork and the timing of the gift.
- Development officers at charities who receive equipment and want to know what the donor's appraiser will ask for.

The guide covers two things. The first is the information a machinery appraisal depends on: the hours on each machine, whether each machine runs, and a few photographs of each. The second is the 60-day signing window, the rule that controls when the appraiser may sign the appraisal relative to the date of the gift.

About the publisher

AppraiseItNow is a tech-enabled appraisal company headquartered in New York City that prepares USPAP-compliant appraisals of personal property, fine art, machinery and equipment, vehicles, boats, inventory and closely held businesses for clients in all 50 states, remotely and in person. AppraiseItNow does not appraise real estate. AppraiseItNow's website is www.appraiseitnow.com.

Of the 1,226 appraisals AppraiseItNow opened between November 8, 2025 and November 8, 2026, 521 were for charitable donations, 175 for insurance (102 claims and 73 coverage), 144 for estates (61 probate, 46 estate tax and 37 estate settlement), 50 for divorce and 15 for Roth IRA conversions. By asset class, the same 1,226 appraisals included 377 vehicles, 323 general personal property, 174 machinery and equipment, 54 boats, 45 business inventory, 40 fine art and 39 business valuations.

Terms used in this guide

- **Qualified appraisal.** The written appraisal a donor needs to support a large noncash deduction. Its required contents are described in the rules section below.
- **Qualified appraiser.** The person who prepares and signs the qualified appraisal. The qualifications and the people who are excluded are also described below.
- **Section B.** The part of Form 8283 used for donated property that needs a qualified appraisal. The appraiser and the charity each sign a part of it.
- **Donation date.** The date of the contribution. The donor's tax adviser confirms the date.
- **Valuation date, or effective date.** The date the appraised value applies to.
- **Report date.** The date the appraiser signs and issues the report.
- **Hours.** The reading on a machine's hour meter, which records how long the engine or motor has run. Hours are to an excavator what mileage is to a truck.
- **Runs.** A plain statement of operating condition: whether the machine starts, whether it moves or performs its main function, and any known faults.
- **Similar items.** This guide does not define this term. The donor's tax adviser decides which donated machines are similar items.

The rules that apply to a donated machine claimed at over $5,000

The rules below are the ones that shape a machinery donation appraisal. Each is stated as the governing source states it. Questions about how a rule applies to a particular gift go to the donor's tax adviser.

When a qualified appraisal and Section B are needed

The threshold is set out in the substantiation regulation (Treas. Reg. § 1.170A-16). A deduction of more than $5,000 for one item, or for a group of similar items, generally needs a qualified appraisal and Form 8283 Section B. Similar items count together even when they went to different charities.

For machinery, the second sentence matters more than donors expect. A contractor who gives one machine to a trade school and another to a community nonprofit may still have to count the two together. Whether the machines are similar items is the tax adviser's call. Once the adviser decides, the appraisal can be scoped to match.

When the appraiser may sign: the 60-day window

The timing rule comes from the qualified appraisal regulation (Treas. Reg. § 1.170A-17). The appraiser must sign and date the appraisal no earlier than 60 days before the donation and no later than the due date, with extensions, of the return that first claims the deduction. The donor must have it by that due date too.

The window therefore has two edges:

- **The early edge** is set by the donation date. Count back 60 days from the date of the donation. A signature before that point is too early.
- **The late edge** is set by the tax return. It is the due date, with extensions, of the return that first claims the deduction. The donor's tax adviser confirms what that date is.

The appraisal must also be in the donor's hands by that same due date. A signed report that has not yet reached the donor does not meet the requirement.

Which date the value applies to

The same regulation ties the valuation date to the signing date (Treas. Reg. § 1.170A-17). If the appraisal is dated before the donation, its valuation date must fall within the 60 days before the donation. If it is dated on or after the donation, the valuation date is the donation date.

USPAP uses the term "effective date" for the same concept (USPAP, 2024 edition). An appraisal's effective date is the date the value applies to. It can be current, past (a date of death or donation) or future, and the report states both the effective date and the report date.

AppraiseItNow sets the effective date by purpose: for insurance coverage and personal use, the report date; for estate and probate, the date of death; for a donation, the contribution date, or the report date for a future gift signed no more than 60 days before it; for a gift, the date of the gift; for an insurance claim, the date of loss; for a divorce, the date counsel sets; for an IRA conversion, the conversion date.

What the appraisal must contain

The content requirements are in the qualified appraisal regulation (Treas. Reg. § 1.170A-17). A qualified appraisal describes the property and, for physical property, its condition; gives the donation date (or expected date), the valuation date, the method and basis used, and the fair market value; and follows USPAP.

Used machinery is physical property, so the report must describe its condition. This is why hours, running status and photographs carry so much weight. They are the evidence behind the condition description, and the condition description supports the value.

Who may sign as the qualified appraiser

The qualifications are set out in the same regulation (Treas. Reg. § 1.170A-17). A qualified appraiser has an appraisal designation for that type of property from a recognized organization, or relevant coursework and at least 2 years' experience valuing it, and regularly does paid appraisals. The donor, the charity, whoever sold or gave the donor the property, and anyone related to or employed by them can't be the appraiser.

For equipment, the exclusion list rules out people a donor might naturally turn to. The dealer who sold the machine cannot be the appraiser. Neither can the donor's own shop foreman or the charity's facilities manager, however well they know the machine. Between them, AppraiseItNow's appraisers hold ASA, ISA, AAA, CAGA, NACVA, NEBB Institute, ABV and CFA credentials.

Signatures on Form 8283

Section B carries two signature blocks (Form 8283). The qualified appraiser signs Part IV of Section B and the charity signs Part V. The charity's signature does not mean it agrees with the value.

When the appraisal itself goes with the return

Large gifts carry an extra filing step (Treas. Reg. § 1.170A-16). For a deduction over $500,000 (similar items combined), the appraisal is attached to the return. A donor giving a fleet of heavy equipment or a full production line should ask the tax adviser early whether this applies.

Inspection: in person or from photographs

The regulation does not require the appraiser to see the machine in person (Treas. Reg. § 1.170A-17). IRS rules do not require the appraiser to inspect the property in person.

USPAP leaves the inspection decision to the appraiser (USPAP, 2024 edition). USPAP does not require an in-person inspection in every assignment. The appraiser decides the scope of work, including how much inspection credible results need, and the report describes that scope.

Most AppraiseItNow appraisals are completed remotely from photographs and documents; when an inspection is needed, an appraiser visits the asset in person. Of the 1,226 appraisals AppraiseItNow opened between November 8, 2025 and November 8, 2026, 1,137 were done from photographs and documents and 27 in person; the method was not recorded for the other 62.

Assumptions about facts the appraiser cannot confirm

Sometimes a fact about a machine is uncertain, for example whether a stored unit still starts. USPAP addresses this situation (USPAP, 2024 edition). An appraiser may assume an uncertain fact is true (an extraordinary assumption) only when it's needed for credible results, there's a reasonable basis for it and the analysis stays credible, and the report must say so clearly. A donor who can supply direct evidence, such as a short video of the machine starting and operating, lowers the chance that the report has to rest on an assumption.

Step by step from the equipment yard to a signed appraisal

The sequence below follows a machinery donation from planning to filing. The steps are practical. Where a step depends on a rule, the rule is the one stated above.

Step 1: List every machine and attachment

Start with a written inventory. For each machine, record:

- Make, model and year.
- Serial number or other identifier, copied from the data plate.
- Hour meter reading, and the date it was read.
- Running status: starts or does not start, operates or does not operate, known faults.
- Attachments, tooling and accessories going with it, such as buckets, forks, chucks, dies, fixtures and manuals.
- The charity each machine is going to.

Keep attachments on the same line as the machine they belong to, unless they are being given separately. An appraiser valuing a skid steer needs to know whether the pallet forks and the grapple go with it.

Step 2: Ask the tax adviser about grouping and timing

Before ordering, the donor and tax adviser should settle two questions. The first is which machines, if any, are similar items. The second is which tax return will first claim the deduction and what that return's due date is, with extensions. The first answer shapes the scope of the appraisal. The second fixes the late edge of the signing window.

Step 3: Fix the donation date, or the expected donation date

Equipment gifts often involve logistics: a lowboy trailer, rigging, a forklift, a crew to disconnect power or air lines. When any of those slip, the donation date slips with them. If the appraisal is to be signed before the gift, the donor needs a realistic expected date in order to stay inside the 60 days before the donation. The donor's tax adviser confirms the donation date.

Step 4: Read the hour meters

Read each hour meter and photograph it so the number is legible. If a machine has more than one meter, such as an engine meter and a separate meter for a hydraulic or auxiliary system, photograph each one and label which is which. If a meter has been replaced, write down when and, if known, the hours on the old meter at replacement.

Step 5: Confirm whether each machine runs

For each machine, the donor should be able to say plainly:

- Does it start?
- Does it run without stalling?
- Does it perform its main function: dig, lift, cut, press, travel, pump?
- Are there known problems, such as leaks, warning lights, slipping, overheating, worn tracks or missing parts?
- When was it last used for real work?

A short video of the machine starting and performing its main function is the strongest evidence a donor can give. If a machine does not run, say so directly and describe what is known about the cause. Leaving the question unanswered does not help the donor or the appraiser.

Step 6: Photograph each machine

AppraiseItNow's photo requirements by asset type: for vehicles, the outside and inside, plus the mileage for anything motorized; for boats, the outside with the cover off, the helm, the engine and the inside, plus the HIN and engine hours; for machinery, a few photos of each machine, the hours and whether it runs; for fine art, the front, back, signature and frame; for household items, one clear photo per item or group.

For machinery, "a few photos of each machine" works well when the set includes:

- One overall view from each side, taken in daylight with the whole machine in frame.
- The data plate, close enough to read the serial number.
- The hour meter, legible.
- The operator station or control panel.
- The main wear points for that type of machine: tracks or tires, bucket teeth and cutting edges, ways and spindles, rollers and belts, hydraulic cylinders.
- Any damage, leaks or missing components the donor has described.
- Each attachment that goes with the machine.

Photograph the machine where it sits, cleaned off if practical. Each image should be tied to a single machine so the appraiser never has to guess which lathe is which.

Step 7: Gather the documents that support condition and history

Useful documents include service and repair records, rebuild invoices, the original purchase invoice, title or registration for anything titled, inspection reports and the operator's manual. None of these replaces the hours, the running status and the photographs. They do add detail to the condition description.

Step 8: Gather the donation details once the gift has happened

For a donation appraisal, AppraiseItNow requires, once the gift has happened, the charity's legal name and street address, the date of each contribution, which items went to which charity, and whether anything was received in return or attached as a condition; the charity's EIN and its written acknowledgment help but are not required.

For equipment, the "attached as a condition" question deserves care. Examples include a restriction on resale, an agreement that the charity will remove the machine at its own cost, or a promise of training or service in return. The donor reports what was agreed. The tax adviser decides what it means.

Step 9: Order the appraisal with everything in hand

AppraiseItNow collects what the appraiser needs before the appraisal starts, and asks only for what the appraiser needs. Clients request an appraisal from AppraiseItNow online and receive a fixed-fee quote before any work begins; AppraiseItNow does not bill hourly. AppraiseItNow's appraisers specialize by asset class rather than by geography, so a machinery donation is handled by someone who works on machinery.

Front-loading the information pays off. 93% of the 363 questions appraisers sent back to AppraiseItNow between November 2024 and September 2026 asked for something the client could have provided at the start. Of 867 appraisals AppraiseItNow reviewed between October 27, 2025 and September 23, 2026, 31% needed something more from the client and 24.6% went through a formal request for missing details.

When details are missing, photographs tend to be the slowest item to arrive. In 162 requests for missing details that AppraiseItNow sent between August 2025 and September 2026, the median first reply from the client came in 0.1 days; 55% were resolved within a day and 89% within a week. Identifiers such as a VIN or serial number took a median 0.6 days to arrive, receipts 0.7 days, donation documents 1.7 days and photos 2.0 to 3.7 days. For a donor working inside a 60-day window, it is worth taking the machine photographs before ordering rather than after.

Step 10: Check the signed report against the window

When the report arrives, check three dates against the rules:

- The report date is no earlier than 60 days before the donation.
- The report date is no later than the due date, with extensions, of the return that first claims the deduction, and the donor has the report by then.
- The valuation date matches the rule: within the 60 days before the donation if the report is dated before it, or the donation date itself if the report is dated on or after it.

Then confirm that each machine is described with its condition and that the report states the method and basis used. Finally, pass the report and Section B to the tax adviser, who arranges the appraiser's signature in Part IV and the charity's in Part V.

Worked example: signing before the gift (hypothetical)

Hypothetical. A machine shop plans to donate a used vertical machining center to a community college. The expected donation date is June 15, 2026. The shop orders an appraisal early, and the appraiser signs on May 1, 2026, with a valuation date of May 1, 2026.

- May 1 is 45 days before June 15, so the signature is not earlier than 60 days before the donation.
- The report is dated before the donation, so its valuation date must fall within the 60 days before the donation. A valuation date of May 1 meets that.

Now suppose instead that the appraisal had been signed on March 20, 2026. That is 87 days before June 15, which is earlier than 60 days before the donation, so the signature falls outside the window. A fresh appraisal signed inside the window would be needed.

Worked example: signing after the gift (hypothetical)

Hypothetical. A farm donates a used tractor and a rotary cutter to an agricultural high school program on September 10, 2026. The farm orders the appraisal after delivery, and the appraiser signs later in the year.

- The report is dated after the donation, so the valuation date is the donation date, September 10, 2026.
- The report must be signed and in the donor's hands no later than the due date, with extensions, of the return that first claims the deduction. The farm's tax adviser confirms that date.

In both examples, whether the deduction is allowed and in what amount is for the donor's tax adviser. The appraisal supplies the value and the documentation.

Special situations with donated equipment

A machine that does not run

Non-running machines are donated often, especially to training programs that use them for teardown and repair practice. The appraisal can still be prepared. What matters is an accurate description of the condition: what happens when someone tries to start it, what is known about the fault, what parts are missing and how long it has sat. Photographs of the engine bay, the

fluids and any visible damage help. If the running condition cannot be confirmed at all, the appraiser decides whether an extraordinary assumption is appropriate under the USPAP conditions described above, or whether more evidence or an inspection is needed.

An hour meter that is broken, replaced or unreadable

Meters fail, get swapped out and fade in sunlight. If the reading is unreliable, tell the appraiser why. Provide any other evidence of use: service records that log hours, the hours on a replacement meter plus the reading at the time of the swap, or the age and work history of the machine. Do not estimate a number and present it as a meter reading.

Several machines, or machines going to more than one charity

A donor clearing out a yard may give several machines at once, sometimes to different organizations. Similar items count together even when they went to different charities, so the grouping question can change whether and how the appraisal is scoped. The tax adviser decides which machines are similar items. The appraiser needs a clear list of which machines went to which charity, and the date each one was contributed.

Hypothetical. A paving contractor gives one used compact excavator to a trade school and a second compact excavator to a disaster relief nonprofit, a few weeks apart. Whether the two machines are similar items is a determination for the contractor's tax adviser. If the adviser treats them as similar items, they count together even though they went to different charities. Either way, the appraisal records each machine, its charity and its contribution date.

A large equipment gift

For a deduction over $500,000 (similar items combined), the appraisal is attached to the return. Donors of large fleets, production lines or specialized plant equipment should plan for this from the start. The tax adviser confirms whether it applies.

Trucks and other titled vehicles in the gift

Equipment donations sometimes include a service truck, a dump truck or a trailer. For vehicles, AppraiseItNow's photo requirements are the outside and inside, plus the mileage for anything motorized. List these separately from the machinery so each item is documented by the right standard.

Equipment attached to a building

Some equipment is bolted down, wired in or plumbed into a building, such as a paint booth, a dust collection system or a walk-in cooler. Describe how each piece is installed and whether it is being removed for the gift. If the donation also includes land or a building, that part is outside AppraiseItNow's work, because AppraiseItNow does not appraise real estate.

A dealer or former owner offering to value the machine

People connected to a machine often offer to help with its value. The rules exclude whoever sold or gave the donor the property, as well as the donor, the charity and anyone related to or employed by them. A dealer's trade-in quote or a former owner's opinion can be passed to the appraiser as background. It cannot take the place of the qualified appraisal.

A gift timed close to year-end

When a donor wants the gift to land in a particular tax year, the delivery date often moves around. If the appraisal is signed before the gift, keep track of the 60-day early edge in case the delivery slips later. If the appraisal is signed after the gift, the valuation date is the donation date, and the late edge is the due date, with extensions, of the return that first claims the deduction.

The charity's signature and its view of the value

Development staff sometimes hesitate to sign Part V because they cannot judge what a used press brake is worth. The charity's signature does not mean it agrees with the value. Sharing that sentence with the charity's contact early can keep the paperwork moving.

Questions a machinery donor settles before ordering the appraisal

Each question below should have an answer, and usually a document or photograph behind it, before the appraisal is ordered.

About the machines

- Is every machine on the inventory, with make, model, year and serial number?
- Has each hour meter been read and photographed, and is each reading dated?
- For each machine, can the donor say whether it starts, runs and does its main job, and list any known faults?
- Is there a video of each running machine operating?
- Does each machine have a few clear photographs, including the data plate, the hour meter, the overall views and the wear points?
- Are attachments and tooling listed with the machine they go with?
- Are service records, rebuild invoices and manuals collected?

About the gift

- What is the donation date, or the realistic expected date?
- Which charity is receiving each machine, with its legal name and street address?

- Was anything received in return, or attached to the gift as a condition?
- Are the charity's EIN and written acknowledgment available? They help but are not required.

About the tax side, for the adviser

- Which machines, if any, are similar items?
- Which return will first claim the deduction, and what is its due date, with extensions?
- Will the combined deduction be large enough that the appraisal is attached to the return?
- Who will collect the appraiser's signature in Part IV and the charity's signature in Part V?

About timing

- If the appraisal will be signed before the gift, will the signature fall no earlier than 60 days before the donation, even if the delivery slips?
- If it will be signed after the gift, is there time to finish it and have it in the donor's hands by the return's due date?

Quick reference table

Item	What to provide	Why it matters
Hours	Photographed meter reading, with the date	Supports the condition description
Running status	Plain statement, plus a video if possible	Supports the condition description
Photographs	A few of each machine, including the data plate and meter	Identifies the machine and shows its condition
Serial number	Copied from the data plate	Ties the report to the specific machine
Charity details	Legal name and street address	Required by AppraiseItNow once the gift has happened
Contribution date	Date of each contribution	Sets the valuation date when the appraisal is dated on or after the donation, and sets the early edge of the 60-day signing window
Item-to-charity list	Which machine went where	Required by AppraiseItNow once the gift has happened
Return or conditions	Anything received or attached	Required by AppraiseItNow once the gift has happened
EIN and acknowledgment	If available	Helpful, not required

Summary of the machinery donation appraisal and its signing window

A deduction of more than $5,000 for one item, or for a group of similar items, generally calls for a qualified appraisal and Form 8283 Section B. Similar items count together even when they went to different charities, and the donor's tax adviser decides which machines are similar items.

For used machinery, the appraisal depends on three things for each machine: the hours, whether it runs, and a few photographs. Serial numbers, attachments, service records and a video of the machine operating add to that evidence. The qualified appraisal describes the property and its condition, states the donation date (or expected date), the valuation date, the method and basis used, and the fair market value, and it follows USPAP.

The appraiser signs no earlier than 60 days before the donation and no later than the due date, with extensions, of the return that first claims the deduction, and the donor must have the report by that due date. If the appraisal is dated before the donation, its valuation date must fall within

the 60 days before the donation. If it is dated on or after the donation, the valuation date is the donation date.

The qualified appraiser signs Part IV of Section B, and the charity signs Part V without endorsing the value. IRS rules do not require an in-person inspection. Under USPAP, the appraiser sets the scope of work and the report describes it. AppraiseItNow prepares every appraisal in accordance with USPAP, the Uniform Standards of Professional Appraisal Practice, and collects what the appraiser needs before the work begins. A donor who arrives with the machine inventory, the hour readings, the running status, the photographs and the donation details already in hand gives the appraisal the best footing inside the 60-day window.