this technically cuts down paper work on the form 1023 application for exemption determination. Section 170 (b) of the Internal Revenue Code governs normal contributions to a foundation. There are also other sections of the Internal Revenue Code which govern special contributions in terms of the Federal Gift Tax, the Federal Estate Tax, Membership and Club dues, and certain trust procedures. Section 170 (b), however, will govern most of your activities in terms of contributing to your foundation. Under section 170 (b) you, as an individual, are allowed to deduct up to 20 percent of your adjusted gross income for contributions made to private charities. You are allowed to deduct up to an additional 10 percent if the contributions were made to a church, school or hospital. This does not mean that you are not allowed to contribute more of your salary or income, but only that you are allowed to deduct these percentages above for income tax purposes. In other words, there is no limit on what you can give - only on what you can deduct.