

Enterprise Zone

Tax Credits Mean That Giving More Costs You Less

The Action Center has been selected to participate in a program that allows donors to receive Colorado State income tax *credits* for their contributions.

The **Enterprise Zone** is a statewide program established by the Colorado Legislature in 1986 to encourage taxpayer support for local governments and nonprofit partners.

The Action Center is certified as an Enterprise Zone project because of the employment assistance and services it provides to homeless families.

One-time donations of **\$100** or more or cumulative gifts given through our monthly giving program, qualify for Enterprise Zone status, making them eligible for a state tax credit of **25%**.

This tax credit opportunity allows you to substantially increase your charitable giving — by almost **50%** — without costing you any more!

Important 2012 update on reverse.



Tax Saving Example

Donation	\$1,000
EZ State Tax Credit	(\$250)
CO State Income Tax Savings	(\$48)
Federal Income Tax Savings	<u>(\$248)</u>
After-tax Cost of Giving	\$454

Federal tax deduction is reduced to these figures because of the add back effect of reduced state tax. Your situation may be different. Consult your tax advisor.

CHANGE in 2012: To claim the EZ credit, taxpayers must provide the Action Center with their Social Security number or Colorado Account Number and file their state taxes electronically.

The credit from Colorado State income tax is in addition to your regular federal and state charitable tax deduction. Any individual or corporation that owes Colorado State income tax can take advantage of these tax programs. Cash gifts receive the standard federal deduction and the 25% state tax credit. In-kind gifts or gifts of stock will receive a 12.5% credit. A gift of appreciated stock can also avoid capital gains tax. Excess tax credits may be carried forward for up to five years.

For more information, contact Sally Reed, Director of Development at **303-237-7704, ext. 204**.

the action center

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