

ENDOW IOWA

25% Tax Credit Program



Keokuk Area
Community
Foundation

ENDOW IOWA Tax Credit Program

Endow Iowa was created to enhance the quality of life for the citizens of this state through increased philanthropic activity by encouraging new investments to existing community foundations across Iowa.

Giving through the Keokuk Area Community Foundation to the causes you care about is rewarding in more ways than one. Your gift creates lasting change in the community and the Endow Iowa Tax Credit Program offers generous tax incentives to make it easier for you to give more for less.

The Endow Iowa Tax Credit Program provides an Iowa state income tax credit equal to 25 percent of the value of your gift to benefit one or more Iowa Charitable causes. These gifts are not eligible for a state income tax deduction, although they do qualify for the federal charitable deduction.

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ENDOW IOWA TAX SAVINGS

With Endow Iowa, contributions to the Community Foundation cost donors less. For example, a \$10,000 gift could cost just \$5,400*

GIFT
\$10,000

FEDERAL DEDUCTION
\$2,100

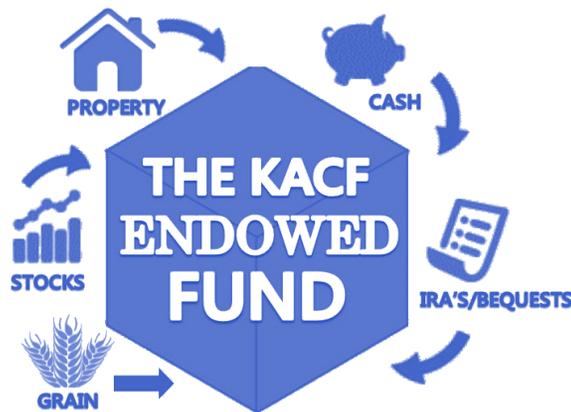
ENDOW TAX CREDIT
\$2,500

TOTAL COST OF GIFT
\$5,400

*Based on the 28% marginal Federal Income Tax. Individual rates may vary. Approximate calculation.

RECEIVING THE ENDOW IOWA TAX CREDIT

Make a gift to any KACF Endowed Fund. Another option is create your own fund that supports your charitable interests.



A donor can make a gift of any amount to receive the Endow Iowa Tax Credit.

The tax credits can be claimed by individuals, businesses, or financial institutions.

Qualifying gifts made to KACF Endowed Funds (Agency Endowments, Donor Advised funds, and Designated Funds) must benefit one or more Iowa charitable causes.

KACF encourages donors to consult with their tax advisor to review their individual tax circumstances.

HOW ENDOW IOWA WORKS

- The Endow Iowa Tax Credit is awarded on a first come, first served basis made to a permanent endowment fund. Donors can contribute to their fund or any endowed fund at any time throughout the year or even in multiple years and receive Endow Iowa tax credits.
- Tax Credits equal to 25 percent of the value of the gift are limited up to \$300,000 per individual for a gift of \$1.2 million, or \$600,000 per couple for a gift of \$2.4 million if both are Iowa taxpayers. Any excess Endow Iowa tax credits not used in the authorized tax year by donors may be carried forward for up to five years.
- In December 2015, Congress made permanent the IRA Charitable Rollover provision of the federal tax law. Individuals aged 70 1/2 and older now may transfer up to \$100,000 of IRA assets directly to public charities without being subject to federal income tax on the transfer. An Iowa taxpayer who takes advantage of the IRA Charitable Rollover legislation to support a qualified endowment at KACF also qualifies for the Endow Iowa Tax Credit.