

ENDOW IOWA TAX CREDITS



The Community Foundation of Greater Des Moines is a qualified community foundation that provides access to Endow Iowa Tax Credits. The Endow Iowa Tax Credit program allows taxpayers to receive a 25% Iowa tax credit, in addition to normal federal charitable income tax deductions.

Endow Iowa Qualified Charitable Gifts Must Be Made:

- Through a qualified community foundation.
- To a permanent endowment fund with a limited annual distribution of 5%.
- For the benefit of one or more Iowa charitable causes.
- By individuals, businesses or financial institutions.

How it Works:

- A variety of gifts qualify for Endow Iowa Tax Credits including cash, real estate, farmland, appreciated securities and outright gifts of retirement assets.
- Tax credits of 25% of the gifted amount are limited to \$300,000 in tax credits per individual for a gift of \$1.2 million or \$600,000 in tax credits per couple for a gift of \$2.4 million if both are Iowa taxpayers.
- Endow Iowa Tax Credits are available on a first-come/first-serve basis until the yearly appropriated limit is reached. If the current year's tax credits have been exhausted, qualified donors are eligible for the next year's Endow Iowa Tax Credits.
- All qualified donors have five years to use their Endow Iowa Tax Credits.



The Endow Iowa Tax Credit program promotes gifts to qualified permanent endowments by awarding up to 25 percent of the amount donated as a state tax credit, when making a gift through Iowa community foundations.

The goal of Endow Iowa is to encourage sustainable support for our state's nonprofits to ensure they have the resources necessary to improve quality of life for generations to come.

With gifts made through Endow Iowa totaling more than \$167 million in the first 11 years, the charitable passions of Iowans is clear. This innovative legislation will continue to benefit future Iowans thanks to gifts made to endowments today.



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The Power of Endowment

Year 1

Establish a Named Endowment Gift

\$10,000 Gift



Year 15

\$8,700 donated from your endowment to charitable causes

\$14,000 fund balance



Year 25

\$17,000 donated from your endowment to charitable causes

\$17,500 fund balance



Assumes a 5% annual payout and an 8.5% rate of return. This is for illustration purposes only.

Endow Iowa Tax Credit Illustrations

Joe & Mary Taxpayer: \$10,000 Endow Iowa Contribution

Gift Amount	Endow Iowa Tax Credit	Tax Benefit of Gift	NET COST OF \$10,000 GIFT
\$10,000	\$2,500	\$4,503	\$5,497

Assumptions: Married filing jointly, \$250,000 W-2 income from one spouse is only source of income, only itemized deductions (other than Endow Iowa contribution) is state income tax, \$15,000 home mortgage interest and \$6,000 real estate taxes. Federal and Iowa income tax liabilities computed on accrual basis to account for cross-deductibility of income taxes.*

Joe & Mary Taxpayer: \$100,000 Endow Iowa Contribution

Gift Amount	Endow Iowa Tax Credit	Tax Benefit of Gift	NET COST OF \$100,000 GIFT
\$100,000	\$25,000	\$53,030	\$46,970

Assumptions: Married filing jointly, \$2,000,000 W-2 income from one spouse is only source of income, only itemized deductions (other than Endow Iowa contribution) is state income taxes. Federal and Iowa income tax liabilities computed on accrual basis to account for cross-deductibility of income taxes.*

Create a Legacy of Giving in 5 Simple Steps

1. Contact Us	2. Give a Gift	3. Choose an Endow Iowa Fund	4. Complete an Endow Iowa Application	5. Redeem Your Endow Iowa Tax Credit
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For more information contact the
Community Foundation of Greater Des Moines
at 515.883.2626.

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