

Enterprise Zone: State Tax Credit for Contribution Information

Chaffee County Habitat for Humanity is an eligible project within the Upper Arkansas Enterprise Zone. This status provides an additional 25% state tax credit for cash contributions and 12.5% for in-kind contributions when the contributor pays state tax with an itemized return.

WHAT IS THE ENTERPRISE ZONE PROGRAM?

- * An act passed by the state legislature to provide tax incentives to individuals and businesses that donate to qualified and designated enterprise zone projects.
- * A program allowing an individual or business taxpayer to make cash contribution and receive 25% of the value of the contribution as a tax credit. Non-cash or in-kind contributions receive 12.5% of the value of the contribution. The maximum credit per year per individual or business is \$100,000. The tax credit may be carried forward up to 5 years.
- * A state tax credit that may provide an additional tax reduction that accompanies the reduction of taxable income when state tax return deductions and credits are itemized.

HOW DOES THE PROGRAM WORK?

- * Contributors make checks payable to: Chaffee County Habitat for Humanity.
- * In order for the contribution to qualify, please include contributor's name/ mailing address/phone number, Colorado Account Number or Tax ID or last four numbers of the Social Security Number (one of these is required), on the "Certification of Qualified Enterprise Zone Contribution" form (DR0075). Please review the information at the top of this form.
- * Tax credit eligibility only applies to a contributor not "directly benefiting" from the project or program. Any question regarding "direct benefit" should be directed to the project contact or leader.
- * Contributions must be postmarked or "in the hands" of project/organization staff prior to midnight December 31 to qualify for that tax year.
- * The project or organization contact person will return certified contribution forms to the contributor.