



TAX CREDITS

**HELP CHILDREN IN ROUTT COUNTY
AND RECEIVE A TAX CREDIT IN APRIL**

We appreciate your interest in helping Routt County children. Since monetary contributions to United Way's Early Childhood Education Fund qualify for the Colorado Child Care Contribution Tax Credit, you can decrease the after-tax cost of your gifts by more than 50 percent. You not only receive the state tax credit but also the state and federal contribution deduction.

The Colorado Child Care Contribution Credit (CCCCC) program, instituted in 1999, provides a 50 percent state tax credit for any contribution made to a qualifying organization. This incentive attracts donations to an industry that not only comprises a large sector of the economy on its own, but also provides a service that cuts down on absenteeism and stress for working parents, further buttressing Colorado's economy.

Whether or not you have children, you can receive this tax credit!

50% CHILDCARE CONTRIBUTION CREDIT

- The tax credit is limited to donations up to \$100,000 annually or Colorado income tax liability, whichever is less. Any unused credits may be carried forward for up to five years.
- In-kind contributions, including stock, property, or any non-monetary donations are not eligible.

PLEASE SEE BACK FOR EXAMPLES BY TAX BRACKET

This information should not be construed as tax advice, and as always, you should consult your tax advisors for the most accurate information.

YOUR DONATION GIVES KIDS ACCESS TO QUALITY CHILDCARE

Making a donation is easy! Donate to Routt County United Way's Early Childhood Education Fund.

GIVE. ADVOCATE. VOLUNTEER.

LIVE UNITED





Colorado Child Care Contribution Tax Credit

Routt County United Way

Examples of Tax Benefits: *Tax benefits vary with individual circumstances.*

Please consult with your tax advisor for specific details regarding your personal benefit.

(based on current tax legislation IRS Prop. Reg. 2018-172 Aug. 23 2018)

Example 1: Calculated based on the 37% tax bracket

Donation Amount	\$ 1,000	\$ 5,000	\$ 10,000	\$ 25,000
CO Child Care Credit (50%)	\$ (500)	\$ (2,500)	\$ (5,000)	\$ (12,500)
Federal Income Tax Deduction	\$ (185)	\$ (925)	\$ (1,850)	\$ (4,625)
State Income Tax Deduction	\$ (23)	\$ (116)	\$ (232)	\$ (579)
Reduced state tax deduction on federal return	\$ 194	\$ 968	\$ 1,936	\$ 4,839
Your out-of-pocket cost (estimated)	\$ 485	\$ 2,427	\$ 4,854	\$ 12,135
Percentage of Donation Saved in Taxes	51.5%	51.5%	51.5%	51.5%

Example 2: Calculated based on the 32% tax bracket

Donation Amount	\$ 1,000	\$ 5,000	\$ 10,000	\$ 25,000
CO Child Care Credit (50%)	\$ (500)	\$ (2,500)	\$ (5,000)	\$ (12,500)
Federal Income Tax Deduction	\$ (160)	\$ (800)	\$ (1,600)	\$ (4,000)
State Income Tax Deduction	\$ (23)	\$ (116)	\$ (232)	\$ (579)
Reduced state tax deduction on federal return	\$ 167	\$ 837	\$ 1,674	\$ 4,185
Your out-of-pocket cost (estimated)	\$ 484	\$ 2,421	\$ 4,843	\$ 12,106
Percentage of Donation Saved in Taxes	51.6%	51.6%	51.6%	51.6%

Example 3: Calculated based on the 22% tax bracket

Donation Amount	\$ 1,000	\$ 5,000	\$ 10,000	\$ 25,000
CO Child Care Credit (50%)	\$ (500)	\$ (2,500)	\$ (5,000)	\$ (12,500)
Federal Income Tax Deduction	\$ (110)	\$ (550)	\$ (1,100)	\$ (2,750)
State Income Tax Deduction	\$ (23)	\$ (116)	\$ (232)	\$ (579)
Reduced state tax deduction on federal return	\$ 115	\$ 575	\$ 1,151	\$ 2,877
Your out-of-pocket cost (estimated)	\$ 482	\$ 2,410	\$ 4,819	\$ 12,049
Percentage of Donation Saved in Taxes	51.8%	51.8%	51.8%	51.8%

Example 4: Calculated based on the 12% tax bracket

Donation Amount	\$ 1,000	\$ 5,000	\$ 10,000	\$ 25,000
CO Child Care Credit (50%)	\$ (500)	\$ (2,500)	\$ (5,000)	\$ (12,500)
Federal Income Tax Deduction	\$ (60)	\$ (300)	\$ (600)	\$ (1,500)
State Income Tax Deduction	\$ (23)	\$ (116)	\$ (232)	\$ (579)
Reduced state tax deduction on federal return	\$ 63	\$ 314	\$ 628	\$ 1,569
Your out-of-pocket cost (estimated)	\$ 480	\$ 2,398	\$ 4,796	\$ 11,991
Percentage of Donation Saved in Taxes	52.0%	52.0%	52.0%	52.0%