

YouthBiz Tax Credit Guidelines

Child Care Contribution Credit and Enterprise Zone Credit

What is a tax credit?

A tax credit is a dollar for dollar reduction from the actual tax liability (the taxes you owe) on your State Tax Return. The tax credit program through which you donate, determines the credit amount.

In addition, your donation still qualifies as a charitable deduction on your Federal Income Tax Return. You do not need to itemize to use the state tax credits. Both individuals and corporations can take advantage of the tax credit programs.

Child Care Contribution Credit (CCCC)

The CCCC is a program that promotes quality child care state wide to qualifying, non-profit child care centers. YouthBiz is a recognized as a Child Care Contribution Credit organization, which allows us to provide a 50% tax credit for cash contributions.

Denver Enterprise Zone (EZ)

The Enterprise Zones encourage private investment in economically distressed areas. In-kind contributions (such as supplies and equipment), stocks/securities, automobiles, and real estate qualify for the EZ tax credit of 25%. One hundred percent of programming at YouthBiz qualifies for the tax credit.

Maximum Tax Credit

There is a maximum annual tax credit of \$100,000 allowed per contributor. Tax credits applied on the state income tax form cannot exceed your total tax liability for the year. If there are excess tax credits, you may carry them forward for up to five years.

Minimum Qualifying Donation

Donations of and/or valued at \$250 or more qualify for the tax credit programs. Cash contributions qualify for the CCCC credit of 50% and all other donations qualify for the EZ credit of 25%.

Tax Savings Example for a Gift of \$1,000	CCCC	EZ
Colorado State Income Tax Credit	\$500	\$250
Colorado State Income Tax Deduction	\$46	\$46
Federal Income Tax Deduction	\$136	\$136
Total Tax Savings	\$682	\$432
<i>After Tax Cost of Giving \$1,000</i>	\$318	\$568