

**Tax Savings using the
50% Colorado Child Care Contribution Tax Credit
April 2018**

Gift	Gift with Tax Credit				
	\$5,000	\$10,000	\$25,000	\$50,000	\$100,000
Federal Tax Savings - 37% bracket	\$1,850	\$3,700	\$9,250	\$18,500	\$37,000
Colorado Tax Savings - 4.63%	\$231	\$463	\$1,158	\$2,315	\$4,630
State Tax Credit	\$2,500	\$5,000	\$12,500	\$25,000	\$50,000
Reduced Federal Benefit from State Tax Savings	\$1,010	\$2,021	\$5,053	\$10,107	\$20,213
Cost of Gift	\$1,429	\$2,858	\$7,146	\$14,292	\$28,583

General provisions regarding deductibility of your gift to the SMA Capital Campaign.

- ✓ Gifts to the SMA Capital Campaign are deductible for Federal and State purposes as charitable contributions.
- ✓ Charitable contribution deductions may be subject to phase out depending on your adjusted gross income.

General provisions of the Colorado Child Care Tax Credit.

- ✓ The maximum credit in any one year is \$100,000, subject to annual limitations as set out in Colorado Department of Revenue FYI 35 (attached).
- ✓ Credits may not reduce tax liability below \$0
- ✓ Unused credits can be carried forward for 5 years.

* Examples uses 37% as the Federal tax rate, currently the highest rate applicable in 2018. The actual tax benefit could be lower if your tax rate is lower or if you do not itemize deductions on your Federal tax return.

Consult your tax advisor for conditions specific to your tax situation.