

ILLUSTRATIONS OF TAX BENEFITS
WITH ANNUAL ENTERPRISE ZONE CONTRIBUTIONS

ANNUAL GIFT AMOUNT	FEDERAL TAX BRACKET	REFERENCE 1	REFERENCE 2	REFERENCE 3	REFERENCE 4	REFERENCE 5	NET TAX BENEFIT	ACTUAL COST TO DONOR
\$200,000	25.0%	\$50,000	(\$12,500)	\$50,000	\$9,260	(\$2,315)	\$94,445	\$105,555
\$200,000	28.0%	\$50,000	(\$14,000)	\$56,000	\$9,260	(\$2,593)	\$98,667	\$101,333
\$200,000	33.0%	\$50,000	(\$16,500)	\$66,000	\$9,260	(\$3,056)	\$105,704	\$94,296
\$200,000	35.0%	\$50,000	(\$17,500)	\$70,000	\$9,260	(\$3,241)	\$108,519	\$91,481
\$100,000	25.0%	\$25,000	(\$6,250)	\$25,000	\$4,630	(\$1,158)	\$47,223	\$52,778
\$100,000	28.0%	\$25,000	(\$7,000)	\$28,000	\$4,630	(\$1,296)	\$49,334	\$50,666
\$100,000	33.0%	\$25,000	(\$8,250)	\$33,000	\$4,630	(\$1,528)	\$52,852	\$47,148
\$100,000	35.0%	\$25,000	(\$8,750)	\$35,000	\$4,630	(\$1,621)	\$54,260	\$45,741
\$50,000	25.0%	\$12,500	(\$3,125)	\$12,500	\$2,315	(\$579)	\$23,611	\$26,389
\$50,000	28.0%	\$12,500	(\$3,500)	\$14,000	\$2,315	(\$648)	\$24,667	\$25,333
\$50,000	33.0%	\$12,500	(\$4,125)	\$16,500	\$2,315	(\$764)	\$26,426	\$23,574
\$50,000	35.0%	\$12,500	(\$4,375)	\$17,500	\$2,315	(\$810)	\$27,130	\$22,870
\$25,000	25.0%	\$6,250	(\$1,563)	\$6,250	\$1,158	(\$289)	\$11,806	\$13,194
\$25,000	28.0%	\$6,250	(\$1,750)	\$7,000	\$1,158	(\$324)	\$12,333	\$12,667
\$25,000	33.0%	\$6,250	(\$2,063)	\$8,250	\$1,158	(\$382)	\$13,213	\$11,787
\$25,000	35.0%	\$6,250	(\$2,188)	\$8,750	\$1,158	(\$405)	\$13,565	\$11,435
\$10,000	25.0%	\$2,500	(\$625)	\$2,500	\$463	(\$116)	\$4,722	\$5,278
\$10,000	28.0%	\$2,500	(\$700)	\$2,800	\$463	(\$130)	\$4,933	\$5,067
\$10,000	33.0%	\$2,500	(\$825)	\$3,300	\$463	(\$153)	\$5,285	\$4,715
\$10,000	35.0%	\$2,500	(\$875)	\$3,500	\$463	(\$162)	\$5,426	\$4,574
\$5,000	25.0%	\$1,250	(\$313)	\$1,250	\$232	(\$58)	\$2,361	\$2,639
\$5,000	28.0%	\$1,250	(\$350)	\$1,400	\$232	(\$65)	\$2,467	\$2,533
\$5,000	33.0%	\$1,250	(\$413)	\$1,650	\$232	(\$76)	\$2,643	\$2,357
\$5,000	35.0%	\$1,250	(\$438)	\$1,750	\$232	(\$81)	\$2,713	\$2,287
\$2,500	25.0%	\$625	(\$156)	\$625	\$116	(\$29)	\$1,181	\$1,319
\$2,500	28.0%	\$625	(\$175)	\$700	\$116	(\$32)	\$1,233	\$1,267
\$2,500	33.0%	\$625	(\$206)	\$825	\$116	(\$38)	\$1,321	\$1,179
\$2,500	35.0%	\$625	(\$219)	\$875	\$116	(\$41)	\$1,356	\$1,144
\$1,000	25.0%	\$250	(\$63)	\$250	\$46	(\$12)	\$472	\$528
\$1,000	28.0%	\$250	(\$70)	\$280	\$46	(\$13)	\$493	\$507
\$1,000	33.0%	\$250	(\$83)	\$330	\$46	(\$15)	\$529	\$471
\$1,000	35.0%	\$250	(\$88)	\$350	\$46	(\$16)	\$543	\$457

The benefits shown above are based on the following:

- 1) Enterprise Zone Credit of 25% = 25% x total annual gift.
- 2) Increase in Federal taxes resulting from State Tax Credit = your Federal Tax rate x the Enterprise Zone Credit.
- 3) Federal Tax Value of charitable deduction = your tax rate x total gift amount.
- 4) State Tax Value of charitable deduction = total annual gift amount x 4.63% state tax.
- 5) Increase in Federal Taxes resulting from State Tax Value = your Federal Tax rate x the amount of the State Tax deduction.

Therefore, 1 - 2 + 3 + 4 - 5 = your tax benefit.

Please note...there is a potential for reduced Alternative Minimum Tax due to reduced state income tax deduction.

The Enterprise Zone tax credit has been approved for the year 2010. While the NCMC Foundation is eligible to apply annually, the current designation is for the year 2010 only.