



IOWA ALLIANCE
FOR CHOICE IN EDUCATION

General Illustrations – Possible Tax Outcomes

Individual, S-Corp, LLC, Estates and Trust: Tax Benefits

Note: Individual outcomes may vary depending on circumstances.

Iowa Tax Savings					Federal Tax Savings		Total
If line 38 on your Iowa 1040 (Individual) is:	Then, your Iowa income tax is:	If you give this to STO:	Then you receive this as an Iowa tax credit:	Reducing your Iowa income tax to:	Plus, when itemizing on your federal return, you could deduct:	And, save this on federal taxes (assuming 32% rate):	Total of State and Federal TAX SAVINGS
A	B	C	D=Cx75%	E=B-D	F=C-D	G=Fx32%	D+G
100,000	6,529	8,500	6,375	154	2,125	680	7,055
150,000	10,794	14,000	10,500	294	3,500	1,120	11,620
200,000	15,059	20,000	15,000	59	5,000	1,600	16,600
250,001	19,324	25,000	18,750	574	6,250	2,000	20,750

Always consult your tax advisor prior to donating to determine your specific tax benefits.



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Business Tax Benefits: C-Corporations Only

Note: Individual outcomes may vary depending on circumstances.

Iowa Tax Savings					Federal Tax Savings		Total
If line 16 on your IA 1120 (Iowa Corporation) is:	Then, your Iowa income tax is:	If you give this to STO:	Then you receive this as an Iowa tax credits:	Reducing your Iowa income tax to:	Federal ordinary business expense deduction:	Federal Charitable expense deduction:	Total of State and Federal TAX SAVINGS
A	B	C	$D=C \times 75\%$	$E=B-D$	$F=D \times 21\%$	$G=(C-D) \times 21\%$	$D+F+G$
100,000	7,500	10,000	7,500	-	1,575	525	9,600
150,000	12,500	16,500	12,375	125	2,599	866	15,840
200,000	17,500	23,000	17,250	250	3,623	1,208	22,080
250,001	22,500	30,000	22,500	0	4,725	1,575	28,800

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