

# The ND Tax Credit...is still here!

North Dakota has established a Tax Credit (ND Century Code 57-38-01.21) that allows individuals, businesses, trusts, and estates to take advantage of a 40% state tax credit for contributions of \$5,000 or more to qualified ND charitable endowment funds. Even better, the unused portion of that state tax credit can be carried forward for three years.

## Your donation to a Catholic Endowment Fund can go further and cost you less!

General Tax Benefits:

<b>12%</b> marginal tax rate on individual return	Gift Amount	\$5,000	\$10,000	\$20,000	\$25,000	\$50,000
	Federal Estimated Tax Savings*	(\$360)	(\$720)	(\$1,440)	(\$1,800)	(\$3,600)
	ND Income Tax Credit**	(\$2,000)	(\$4,000)	(\$8,000)	(\$10,000)	(\$20,000)
	<b>Net Cost of Contribution</b>	<b>\$2,640</b>	<b>\$4,480</b>	<b>\$10,560</b>	<b>\$13,200</b>	<b>\$26,400</b>

<b>24%</b> marginal tax rate on individual return	Gift Amount	\$5,000	\$10,000	\$20,000	\$25,000	\$50,000
	Federal Estimated Tax Savings*	(\$720)	(\$1,440)	(\$2,880)	(\$3,600)	(\$7,200)
	ND Income Tax Credit**	(\$2,000)	(\$4,000)	(\$8,000)	(\$10,000)	(\$20,000)
	<b>Net Cost of Contribution</b>	<b>\$2,280</b>	<b>\$4,560</b>	<b>\$9,120</b>	<b>\$11,400</b>	<b>\$22,800</b>

<b>32%</b> marginal tax rate on individual return	Gift Amount	\$5,000	\$10,000	\$20,000	\$25,000	\$50,000
	Federal Estimated Tax Savings*	(\$960)	(\$1,920)	(\$3,840)	(\$4,800)	(\$9,600)
	ND Income Tax Credit**	(\$2,000)	(\$4,000)	(\$8,000)	(\$10,000)	(\$20,000)
	<b>Net Cost of Contribution</b>	<b>\$2,040</b>	<b>\$4,080</b>	<b>\$8,160</b>	<b>\$10,200</b>	<b>\$20,400</b>

\* Assuming the marginal tax rate on an individual return is as listed and the donor can benefit from itemizing deductions on Federal Schedule A.

\*\* Assuming ND income taxes would be high enough over a four-year period to use up the credit. (Current year, plus three years carry forward.) North Dakota individual income tax rates are currently in the range of approximately 1.1% to 2.9% of federal taxable income.

The general provisions of North Dakota's Tax Credit (ND Century Code 57-38-01.21) are as follows:

- 1) A 40% state income tax credit can be taken on contributions to qualified North Dakota-based charitable endowment funds.
- 2) Contributions can be made by individuals, businesses, trusts, or estates.
- 3) To qualify, the contribution must be a minimum of \$5,000.
- 4) The maximum North Dakota tax credit is \$10,000 for single tax filers and \$20,000 for those who are married and filing jointly. The maximum tax credit for a single individual would be \$10,000, equal to 40% of a \$25,000 contribution. The maximum tax credit for a married couple would be \$20,000, equal to 40% of a \$50,000 contribution.
- 5) The unused portion of the North Dakota state income tax credit can be carried forward for three years.

## Make checks out to the Catholic Foundation.

**Send checks to: Your parish or to the Catholic Foundation, PO Box 1175, Bismarck, ND 58502.  
For more information, contact Ron Schatz at 701-204-7202**



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