



## **Alternatives to Violence**

Agency Victim Services  
&  
Future Safehouse Capital Campaign

**SAVE TAXES!! TAX CREDITS!! SAVE TAXES!! TAX CREDITS!!**

### *About Alternatives to Violence (ATV):*

- For 29 years, serving abused woman, children and men.
- Crisis intervention 24-hours a day, 365 days a year.
- Providing counseling, emergency services, transitional living programs, community education, advocacy and support groups.
- In 2010 alone, providing the following:
  - Serving 808 victims of violent crimes.
  - Providing 18,615 nights of shelter.
  - Providing individual therapy or outreach prevention and education for 533 children and adolescents
  - Responding to 478 hotline crisis calls or on scene response requested by the Loveland Police Department.
  - Offering an additional 2,800 information and referral services.
  - Presenting to 817 community members information about ATV services.
- One-third the way into a Capital Campaign committed to building the first and only Safehouse in southern Larimer County offering victims of domestic violence and sexual assault a place of hope and healing that will permit individuals and families to remain in their jobs, schools, and churches while working towards long-term life changes.
- 85% of revenues/donations go directly to services provided.
- In 2011, an unfortunate 36% increase in adult services and 40 to 62% increase in children's services while donations and grants are down 30% or higher.

## **Enterprise Zone Tax Credits**

### **What is an Enterprise Zone Tax Credit?**

The purpose of the Enterprise Zone Tax Credit is to encourage taxpayers to assist agencies like Alternatives to Violence. Alternatives to Violence and its future Safehouse are both located within an enterprise zone. Donations to ATV go further as tax credits are available.

### **How does it work?**

Cash gifts from \$100 to \$400,000 qualify for the tax credit. Twenty-five percent (25%) of the amount given (up to a maximum of \$100,000 per year) may be claimed as a Colorado tax credit. Excess credits can be carried over up to five years.

### **Benefits to the Donor**

In addition to the tax credit, cash gifts may also qualify as tax deductible charitable donations for federal and state income tax returns. At the same time charitable deduction and tax credits are available, **100%** of your gift goes to either ATV or the future Safehouse. Pass-through entities, such as Partnerships and Subchapter S Corporations, can also make donations. A donation by a pass-through entity is not subject to the \$400,000 annual dollar limitation described earlier. Instead, this limitation is applied to each of the individual shareholder/partners. Each member's share of the donation is passed through to that member, who then computes the allowable credit on their tax return.

**EXAMPLE:** Rocky Mountain Widgets, Inc., a Subchapter S Corporation, makes a \$50,000 donation to the ATV or the Safehouse Capital Campaign. The corporation has 4 shareholders who each own 25%. When Rocky Mountain Widgets files its income tax return, it will allocate a \$12,500 charitable donation to each shareholder. Each shareholder will be able to deduct this donation on their federal tax return, and claim a \$3,125 Colorado tax credit (\$12,500 x 25%).

### **Tax Savings Example**

Donor is in the 35% federal income tax bracket, itemizes his or her deductions and is subject to the Colorado 4.63% state income tax.

Gift	\$500	\$10,000	\$100,000
Federal tax savings from donation	- 175	- 3,500	- 35,000
Colorado tax savings from donation	- 23	- 463	- 4,630
Colorado Enterprise Zone tax credit	- <u>125</u>	- <u>2,500</u>	- <u>25,000</u>
After-tax cost of gift	<u>\$177</u>	<u>\$ 3,537</u>	<u>\$ 35,370</u>

*In these examples, Donor receives nearly 65% of their gift back in the form of federal and state income tax savings! Visit [www.alternativestoviolence.org](http://www.alternativestoviolence.org) to make a pledge on-line. Or, contact Lynda Nielsen at [director@alternativestoviolence.org](mailto:director@alternativestoviolence.org) or 970.669.5150 for more information about ATV, the Safehouse Capital Campaign and how you can help.*

*Please consult your own professional tax advisor to confirm all applicable tax laws and restrictions that may apply to you.<sup>1</sup>*

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