



Missouri Neighborhood Assistance Program (NAP) Tax Credits

Kansas City Community Gardens (KCCG), including The Giving Grove, has been awarded \$97,500 in NAP tax credits to be distributed and used by eligible individuals and businesses in Missouri for the calendar years 2017-2019. NAP credits allow qualified donors to reduce their Missouri tax liability by **50%** of their total contribution.

Eligible Donors include:

- Individuals with income from royalties or rental property;
- Sole proprietors;
- Corporations;
- S-corporations;
- Partnerships;
- Limited liability corporations
- Farm operations

Qualified donations include:

- Monetary donations, stocks and bonds, materials and labor, and real estate.

How the Donor Benefits:

- NAP credits allow qualified donors to reduce their Missouri tax liability by 50% of their total contribution.
- NAP contributions directly benefit Missouri communities.
- NAP contributions allow you to increase the impact of your charitable giving by directing dollars that would otherwise be paid in taxes to your favorite charities.

How The Giving Grove Benefits:

Doubles the impact of your support, allowing The Giving Grove to:

- Plant community orchards and train neighborhood orchard steward volunteers in Missouri.
- Use 100% of your contribution to benefit food-insecure Missouri communities.



An Example: (not intended as tax advice)

Your gift	\$1,000	\$2,500	\$5,000	\$10,000	\$20,000
Federal tax deduction assuming 35% tax bracket	-350	-875	-1,750	-3,500	-7,000
State tax deduction assuming 6% tax bracket	-60	-150	-300	-600	-1,200
State tax credit (50% of gift)	-500	-1,250	-2,500	-5,000	-10,000
Additional federal tax due to reduction of state tax (35% of total credit)	+175	+438	+875	+1,750	+3,500
Total out of pocket cost to donor	\$265	\$663	\$1,325	\$2,650	\$5,300

* In this example, the federal deduction for state taxes is reduced by the amount of the credit since your actual state tax payment is being reduced by that amount.

How to Donate:

- Make a qualified donation via check or online at www.givinggrove.org.
- Fill out a Tax Credit Application, Form CDTC-770, attach proof of the donation, and forward to Rob Reiman, The Giving Grove Executive Director. The form will then be verified and forwarded to the Missouri Department of Economic Development.
- Tax credit applications must be submitted to the NAP office no later than one year following the date of contribution or the right to the credit is forfeited.
- All tax credit applications must have original signature. Sign in the presence of a notary.
- The tax credit cannot be claimed on the Missouri tax return until you receive an official tax credit Certificate of Eligibility from the Department of Economic Development.
- To claim the tax credit on your taxes, please use Department of Revenue Form MO-TC, available from www.dor.mo.gov. Since KCCG – The Giving Grove has been issued 50% credits, you are entitled to a tax credit equal to 50% of the contribution, which offsets Missouri state tax liability.
- If your contribution is **on behalf of a Partnership, S-Corporation, or Limited Liability Corporation**, please be sure to inform all partners, shareholders, or members of their exact share of the benefit as they will use the same benefit number listed on the business certificate.
- The credit may be claimed on taxes due for the year the contribution was made and may be extended for five additional tax years until all the credit is exhausted. The credit may not be used to offset taxes due for periods prior to the year of contribution.

Questions?

Please contact Kathy Jenkins Hart at

Kathy@kccg.org or (816)931-3877, extension 307.

For more information about our work, please visit www.givinggrove.org.