

The Collaboration for a New Century Working Poor Tax Credit

The ARIZONA CHARITABLE TAX CREDIT allows you to receive a dollar-for-dollar tax credit, up to \$400*, on your Arizona state income tax when you give to **the Collaboration for a New Century** (a 501 (c)(3) non-profit organization). This means your dollars can benefit the working poor, whom the Collaboration serves, yet it won't come out of your pocket! And you'll receive the added satisfaction of knowing you're helping others.

**Maximum amount of credit depends upon your filing status. For tax year 2008, married couples filing jointly have a maximum credit of \$400. Taxpayers filing as single or head of household have a maximum credit of \$200.*

How does it work? It's quite simple! To take advantage of this tax credit:

- Itemize your charitable contributions
- Establish a baseline year for charitable giving (as early as 1996)
- Increase your charitable giving over your baseline year
- **Make your check payable to the Collaboration for a New Century (Tax ID #86-0876246)**

For example, if you itemized your charitable deductions in 1996, that is your baseline year and the amount you deducted would be your baseline amount. Tax credit is earned for donations above the baseline dollar amount. So, if your baseline dollar amount is \$2,000, then you must give \$2,400 or more in total contributions to receive the full \$400 tax credit.

What does this mean? It costs you nothing! A tax credit reduces your final tax liability. It comes right off the top of your state tax bill, lowering the amount of money you will pay. So although your charitable contributions increase, your tax liability is decreased by the same amount — up to \$400.

There is a simple form (AZ Form 321) that is included with your state tax filing that must be completed in order to receive the tax credit. This tax credit is different from those you can receive for private school tuition and public school extracurricular activities. You are eligible to receive dollar-for-dollar tax credits for all three.

Need more information?

Arizona Department of Revenue: www.revenue.state.az.us under Refunds & Credits or 602-255-3381.

Important Note: Always check with a qualified and licensed professional regarding all matters related to tax issues.

Please detach below and include with your check:

Name:

Address:

Phone #:

E-Mail:

Mail to:

The Collaboration for a New Century
5750 N. Central Avenue
Phoenix, Arizona 85012
(480) 664-6377