



UNITED WAY OF LARIMER COUNTY CHILD CARE FUND

HELPING FAMILIES ACCESS AFFORDABLE, QUALITY CHILD CARE

Your gift to the Child Care Fund supports United Way programs partners that provide quality child care services to low-income children under the age of 12 in Larimer County. Supporting access to affordable childcare is a two-generation approach to family self-sufficiency and children's success.

CONTRIBUTION GUIDELINES

- Your total contribution must be received by United Way by December 31 to apply for the current year's tax return.
- Gifts of \$250 or more qualify.
- Non-monetary gifts do not qualify.
- Payroll deductions apply only if company provides required documentation.
- The credit allowed shall not exceed \$100,000 per year.
- The credit allowed shall not exceed the tax liability for the year. Any excess credits may be carried forward for up to five years.

COLORADO CHILDCARE TAX CREDIT (CCTC)

The CCTC was established in 1999 to encourage private support of Colorado child care programs, like those funded by United Way. Monetary contributions to United Way's Child Care Fund qualify for this credit. In addition to the applicable Federal and State income tax deductions, the credit provides a 50% state tax credit.

The example below indicates the tax savings you could experience while benefiting local children and families.

COLORADO CHILDCARE TAX CREDIT

Example - 2018 Tax Year with No Carry Over

Your Gift Amount	\$500	\$1,000	\$5,000	\$10,000
Colorado Child Care Income Tax Credit	\$250	\$500	\$2,500	\$5,000
Federal Income Tax Savings	\$120	\$240	\$1,200	\$2,400
Colorado Income Tax Savings	\$23	\$46	\$232	\$463
Total Tax Savings	\$393	\$786	\$3,932	\$7,863
Your Gift, Net of Tax Savings	\$107	\$214	\$1,068	\$2,137
Federal Income Tax Rate: 24%	Colorado Income Tax Rate: 4.63%			

The IRS has proposed new regulations that may decrease the federal deductibility of Child Care Tax Credit contributions for some donors. The proposed regulations, if adopted, will not affect the 50% Colorado state tax credit donors currently receive nor impact federal taxes for those who take the Standard Deduction.

As part of the Tax Cuts & Jobs Act passed in December 2017, there is a cap on the deductibility of State and Local Taxes in the amount of \$10,000. In addition, the Standard Deduction for 2018 was significantly increased. The interplay of these two provisions could have an impact on the actual tax benefits to a particular donor.

We encourage all donors to consult with your tax advisor regarding the deductibility of all charitable contributions.

For more information or to make your gift today, please contact Allison Hines at ahines@uwaylc.org.

United, We Strengthen our Community.

