



Colorado Child Care Contribution Credit

The Colorado Child Care Contribution Credit was established to encourage greater private support of Colorado child care programs, like those provided by Chabad Jewish Center.

Because monetary contributions to Chabad Jewish Center qualify for this tax credit, you may be able to **decrease the after-tax cost of your gift by more than 50 percent.**

The effect of the credit is that half of your donation to Chabad Jewish Center - as long as it is designated for the credit - is offset by a reduction of your Colorado income taxes. You will still be able to claim your full contribution as a charitable deduction on your Federal and State income tax returns if you itemize deductions.

Donation Amount	\$500.00	\$1,000.00	\$5,000.00	\$10,000.00
Federal tax rate	28.00%	28.00%	28.00%	28.00%
CO tax rate	4.63%	4.63%	4.63%	4.63%
CO tax credit	\$250.00	\$500.00	\$2,500.00	\$5,000.00
Savings from Federal deduction	\$140.00	\$280.00	\$1,400.00	\$2,800.00
Savings from Colorado deduction	\$23.15	\$46.30	\$231.50	\$463.00
Savings this year	\$413.15	\$826.30	\$4,131.50	\$8,263.00
Loss of Federal deduction for CO tax on next year's return	-\$76.48	-\$152.96	-\$764.82	-\$1,529.64
Net savings	\$336.67	\$673.34	\$3,366.68	\$6,733.36
TOTAL COST TO DONOR*	\$163.33	\$326.66	\$1,633.32	\$3,266.64

**Your tax savings may be more or less than this typical example. Please consult with your tax adviser.*

Guidelines:

- The maximum credit you may take in any one year is \$100,000 or your actual Colorado income tax liability for the year, whichever is less. However, any unused credit may be carried forward for up to five years.
- Only monetary donations are eligible.
- As required by law, Chabad Jewish Center will send a signed statement confirming the amount of the monetary contribution eligible for the credit and the purpose for which the contribution will be used.

For more information, visit the Colorado.gov - site www.colorado.gov/pacific/sites/default/files/Income35.pdf