

## Big Brothers Big Sisters of Colorado is a qualified Child Care Contribution Tax Credit program

---

### What is the Child Care Contribution Credit?

Any taxpayer who makes a monetary contribution to promote child care in Colorado may claim an income tax credit of 50% of the total contribution.

### Do corporations qualify for the credit?

Any Colorado state taxpayer qualifies for the credit. This includes businesses.

### Do in-kind donations qualify for the credit? What about stock donations?

The credit is available for monetary contributions only. Donations of property—including gifts of stock—do not qualify for the credit.

### What kind of documentation do I need?

Big Brothers Big Sisters will provide a DR 1317 form to the donor along with a donation receipt. Donors must provide this statement to the Department of Revenue upon request.

### Is there a minimum contribution amount?

Gifts of \$500 or more are eligible for the Child Care Contribution Tax Credit.

### Is there a maximum credit amount?

The credit allowed cannot exceed \$100,000 per year. Also, the credit cannot exceed the tax liability for the year. Any excess credits may be carried forward for up to five years.

### How does the credit help Big Brothers Big Sisters of Colorado?

Big Brothers Big Sisters of Colorado relies on charitable contributions from the community to operate our mentoring programs. The child care contribution credit is a benefit for our supporters.

<b>Tax Savings Example for a Gift of \$1,000</b>	<b>CCCC ( 50% Tax Credit)</b>
Colorado State Income Tax Savings	\$ 46
Colorado Income Tax Credit	\$500
Federal Income Tax Deduction*	\$136
Total Tax Savings	\$682
<b>After tax cost of giving \$1,000</b>	<b>\$318</b>

Example based on information provided by Mile High United Way.  
Illustration for a 30% tax bracket. Situations vary.

\*Federal tax deduction is lowered because of the add-back effect of reduced state tax.

*The information presented should not be considered tax advice. Consult a professional tax advisor or the Colorado Department of Revenue for more information about state tax credits.*