



BOYS & GIRLS CLUBS
OF THE VIRGINIA PENINSULA

Tax Credits under the Neighborhood Assistance Program (NAP)
INDIVIDUAL DONOR

A gift of \$10,000 to Boys & Girls Clubs of the Virginia Peninsula, a NAP charity, could qualify for the following tax reductions:

NAP State Tax Credit	\$10,000	x 65%	=	\$6,500
Regular Federal Tax Savings	\$10,000	less VA credit of \$6,500 x 37.0%	=	\$1,295
Regular State Tax Savings	\$10,000	less VA credit of \$6,500 x 5.75%	=	<u>\$ 201</u>
Potential Total Tax Savings (Approximate)				\$7,996
Additional tax savings with a \$10,000 gift of appreciated stock (Illustration assumes 50% or \$5,000 capital gain)				
	\$5,000	x 25.75%	=	<u>\$1,287</u>
Potential Total Tax Savings (approximate)				\$9,283

Please note this is an illustration only and based on maximum federal & state income and long-term capital gains tax rates. Consult with your tax advisor for actual tax savings when considering a donation to Boys & Girls Clubs of the Virginia Peninsula.

Americans donate to charitable organizations, mainly because of their desire to assist less privileged individuals. However, tax savings allow benefactors an opportunity to contribute even larger amounts than would ordinarily be the case. Boys & Girls Clubs of the Virginia Peninsula is a 501(c)(3) organization and a qualified participant of the State of Virginia's Neighborhood Assistance Tax Credit Program (NAP). Corporate and individual donors may reduce their federal and state taxes by participating in the Neighborhood Assistance Program through Boys & Girls Clubs of the Virginia Peninsula.

Taxpayers donating to Boys & Girls Clubs of the Virginia Peninsula, which qualifies under The Neighborhood Assistance Program (NAP), are eligible for additional Virginia State Tax Credits equal to 65% of their contributions per Tax Credit Policy of Boys & Girls Clubs of the Virginia Peninsula.* The donations can be in the form of cash, securities, real estate, or certain other categories. Taxpayers receive those tax credits in addition to the regular contribution deductions on their tax returns.

Impact, Hope and Opportunity

Please help us make a difference in the lives of over 6,000 members

Boys & Girls Clubs of the Virginia Peninsula • President & CEO, Hal Smith
11825 Rock Landing Drive • Chesapeake Building • Newport News, VA 23606
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Tax Credits under the Neighborhood Assistance Program (NAP)
CORPORATE DONOR

A gift of \$10,000 to Boys & Girls Clubs of the Virginia Peninsula, a NAP charity, could qualify for the following tax reductions:

NAP State Tax Credit	\$10,000	x 65%	=	\$ 6,500
Regular Federal Tax Savings	\$10,000	less VA credit of \$6,500 x 21.0% (corporate rate)	=	\$ 735
Regular State Tax Savings	\$10,000	less VA credit of \$6,500 x 6%	=	<u>\$ 210</u>
Potential Total Tax Savings (Approximate)				\$ 7,445

Please note this is an illustration only and based on maximum federal & state income tax rates. Consult with your tax advisor for actual tax savings when considering a donation to Boys & Girls Clubs of the Virginia Peninsula.

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Information about Neighborhood Assistance Program (NAP) and Tax Credits for Virginia Residents

Neighborhood Assistance Program (NAP), a unique program of the Commonwealth of Virginia, encourages partnerships between the private and public sectors to assist the economically disadvantaged. Virginia state tax credits are provided as incentives for businesses and individuals to contribute directly to an approved nonprofit organization, such as Boys & Girls Clubs of the Virginia Peninsula. Those who give appreciated stock can also take advantage of the Neighborhood Assistance Program (NAP) tax credits.

What individual donors (non-business) should know about NAP Tax Credits:

Tax credits are available to individuals or married couples who make donations of cash and appreciated stock to Boys & Girls Clubs of the Virginia Peninsula. The minimum donation by an individual must be at least \$2,000 and the value of the tax credit is equal to 65% of the donation (\$1,300 credit) per Boys & Girls Clubs of the Virginia Peninsula Policy.* The maximum donation by an individual is \$125,000 and the value of the tax credit is equal to 65% of the donation (\$81,250 credit) per Boys & Girls Clubs of the Virginia Peninsula Policy.*

What business donors should know about NAP Tax Credits:

Business contributions may be in the form of cash, goods, stock, real estate, professional services, contracting services and rent or lease of the participating nonprofits' facilities. In return for their contributions, businesses and individuals receive credits that may be applied against their state income tax liability. The minimum donation by a business must be at least \$2,000 and the value of the tax credit is equal to 65% of the donation (\$1,300) per Boys & Girls Clubs of the Virginia Peninsula Policy*. There is no maximum amount of tax credits which may be received by a business.

*In order to provide an equitable allocation of Neighborhood Assistance Program Credits, Boys & Girls Clubs of the Virginia Peninsula's Board of Directors adopted a policy to allocate credits at a rate of 65% per donation. In order to ensure proper documentation to the Commonwealth of Virginia, CNF forms will be provided to verify the adjustment.



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