

# Good News for Our Donors!



Help your child's school today. Help yourself to a tax credit in April.

The Colorado Child Care Contribution Credit was established to encourage greater private support of Colorado non-profit child care programs, like the Montessori Academy of Colorado. Because monetary contributions to MAC qualify for this tax credit, you may be able to decrease the after-tax cost of your gifts by more than 50 percent.

**The effect of the credit is that half of your donation to MAC 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. Examples of the total impact on your taxes are shown in the chart below. **As always, you should consult with your tax advisor to determine how the credit will affect you personally.**

**Tax Saving Examples (Illustration only):**

<b>Federal Income Tax Bracket</b>	<b>24%</b>	<b>32%</b>	<b>35%</b>
Contribution	\$1,000	\$1,000	\$1,000
Colorado Child Care Credit	(\$500)	(\$500)	(\$500)
Charitable Deduction Colorado Tax Saving	(\$46.30)	(\$46.30)	(\$46.30)
Charitable Deduction Federal Tax Saving	(\$240)	(\$320)	(\$350)
Related Federal Tax Effect*	\$131.11	\$174.82	\$191.21
After Tax Costs of Gift to MAC	\$344.81	\$308.52	\$294.91
Total Tax Saving	\$655.19	\$691.48	\$705.10
<b>Out of pocket cost after taxes</b>	<b>\$344.81</b>	<b>\$308.52</b>	<b>\$294.90</b>

\*Lower State income taxes mean lower State tax deductions for Federal tax purposes

**Thank you for supporting MAC! Once you've donated, please ask us for a Child Care Contribution Tax Credit Certification.**

