

**QUICK FACTS - Tamarack Foundation**  
**West Virginia Neighborhood Investment Tax Credit Program**

What is the value of the tax credits? Individuals and businesses that contribute to Tamarack Foundation can receive 50 percent of the value of the donation in the form of WV State tax credits.

Eligible Donations: NIP requires that donors contribute at least \$500 in order to receive tax credits. For ease of bookkeeping, we ask that cash donations be in multiples of \$50. Credits will be available on a “first come” basis; credits may be reserved by submitting a written pledge.

Using the Tax Credits: Tamarack Foundation will provide the necessary documentation to use the credits. They may be used within five years of the donation. Note the following considerations:

- Donors cannot reduce their total tax liability by more than 50 percent; donors are allowed to spread the credits over a five year period. The maximum tax credit allowed in any one year to any one donor is \$100,000.
- Credits may be used to reduce tax liability for wages reported on W-2 forms as well as dividends, interest, and business income.
- Donors may apply the credits to reduce their total tax liability on the following WV taxes: Corporate Net Income, Business Franchises, Fiduciary Income, and Personal Income.
- Any credits not used within the five-year period are forfeited.

Date Deadlines: Contributions must be received between August 19, 2009 and June 30, 2010. **NOTE:** *Since the WV Development Office has indicated that we may be able to obtain additional credits if we use the first allocation by March 1, 2010, we are asking donors to make their gifts by that date. This could enable even more Tamarack Foundation contributions to be eligible for tax credits.*

Types of Eligible Donations:

- Cash - qualifies for a 50% tax credit (for example, a \$1,000 donation receives \$500 in credit).
- Stock - publicly traded common or preferred stock representing ownership in a corporation qualifies for 50% tax credit, based on the closing price on the day of transfer. Stock is eligible only if it is sold within 180 days of its receipt.
- Real Estate/Personal Property - qualifies for a 50% tax credit based on fair market value.

Example of tax savings using the WV State Tax Credits issued by Tamarack Foundation			
Individual Tax Return (Assumes 28% Federal Tax Bracket)			
<u>Without Credit</u>		<u>With Credit</u>	
Contribution	\$500	Contribution	\$500
Federal tax savings (140)		Federal tax savings(140)	
<u>State tax savings</u>	<u>-0-</u>	<u>State tax savings</u>	<u>(250)</u>
Net cash cost	\$360	Net cash cost	\$110

Please note: The information provided is based on sources that are considered reliable; however, the accuracy and completeness of this information are not guaranteed. Specific questions on taxes as they relate to your individual situation should be directed to your tax advisor.