



Foundation *for*
**Appalachian
Kentucky**

Endow Kentucky Tax Credit 2021

- ⌘ You must apply for your credit and have approval BEFORE making your charitable gift
- ⌘ Gifts must be made to a permanent endowment fund at a qualified community foundation, its affiliate foundation, or a county-specific fund
- ⌘ The tax credit is 20% of the charitable gift (Example: a \$5,000 charitable gift would provide a \$1,000 credit)
- ⌘ Maximum credit per taxpayer is \$10,000 (20% of \$50,000 = \$10,000)
- ⌘ The tax credit is not refundable, but may be carried forward up to 5 years
- ⌘ For more information go to www.revenue.ky.gov or call the Kentucky Department of Revenue at 502.564.8139

ENDOW KENTUCKY TAX CREDIT

By making a gift to a new or existing permanent endowment fund at the Foundation for Appalachian Kentucky, you may qualify for a state tax credit in addition to your Federal tax deduction. This is a tax-wise way to create a lasting legacy and support Kentucky charities, counties, or communities forever.

TAX CREDIT VS. TAX DEDUCTION

Endow Kentucky features a tax credit, which is different from a tax deduction. A tax deduction reduces your taxable income, so the value depends on your income tax bracket. A tax credit lowers your tax bill dollar for dollar, no matter your tax bracket.

LIMITED OPPORTUNITY

State tax credits are available to individuals and corporations on a first-come, first-served basis beginning July 1, 2021. All applications received between July 1 and July 7, will be considered as being filed at the same time. To be eligible for the Endow Kentucky tax credit, you must receive prior approval through the Kentucky Department of Revenue before your charitable gift is made.

Keep in mind that tax credits will likely be depleted shortly after July 7, 2021, so the earlier you plan, the better. If you are considering a charitable gift that may be eligible for the tax credit, we encourage you to contact us or discuss your charitable plans with your tax advisor as soon as possible.

HOW TO APPLY

1. Contact the Foundation for Appalachian Kentucky to obtain an application pre-printed with certain required information.
2. Complete, sign, and submit the application between July 1- July 7, 2021. The Foundation can assist you with the preparation and filing of the application.
3. Following a review by the Department of Revenue, a Preliminary Authorization Letter will be issued to you.
4. You will have 30 days from the date of the Preliminary Authorization to make your gift to the Foundation for your chosen fund.
5. Within 10 days of making your gift, the Foundation will complete a Schedule ENDOW on your behalf and send it to the Department of Revenue as proof of your charitable gift.
6. The Department of Revenue will review the Schedule ENDOW and send final approval to you.

Contact the Foundation for Appalachian Kentucky **BEFORE** you apply for your Endow Kentucky Tax Credit

606.439.1357 or info@appalachianky.org



Please consult your tax advisor before making this or other charitable gifts.