



METROPOLITAN  
STATE UNIVERSITY<sup>SM</sup>  
OF DENVER

## Enterprise Zone Tax Credit

MSU Denver's  
Brewing  
Operations  
Program



### Take Advantage of the EZ Tax Credit

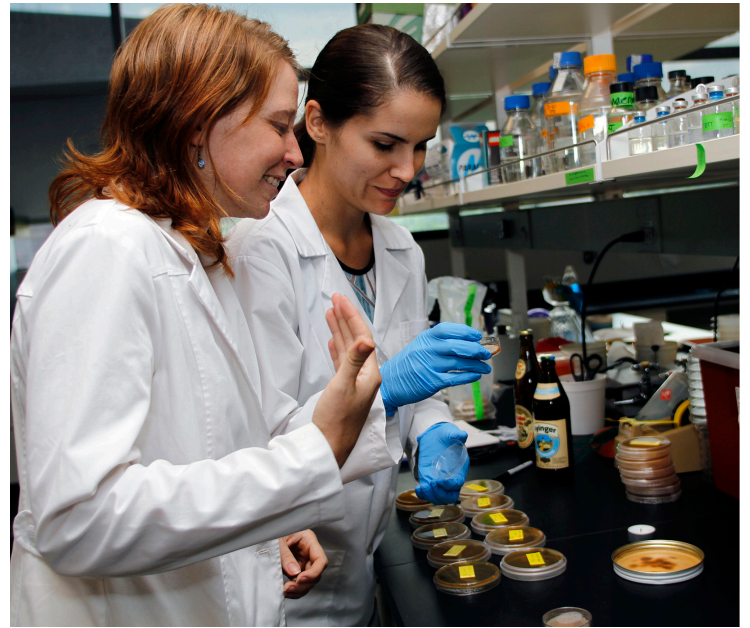
MSU Denver's public-private partnership with the Tivoli Brewing Company to create a world class center for beer industry education has been designated an Enterprise Zone by the state of Colorado. The "Enterprise Zones" (EZ) are meant to encourage area revitalizations, job growth and public-private partnerships. For donors to the capital campaign costs associated with the Brewery Operations program, this designation means that qualifying gifts will be eligible for an EZ Tax Credit, which provides another great reason to support MSU Denver and its efforts to transform lives, communities and higher education.

#### Your Tax Benefit

With the EZ Tax Credit, you can make a gift and have a lower after tax/out-of-pocket cost than with other gifts. Qualifying gifts made through the MSU Denver Foundation to the Brewery Operations program are eligible to receive an income tax credit of 25 percent for cash contributions and 12.5 percent for in-kind contributions, which is over and above normal deductions. Securities are considered in-kind contributions and are eligible for a 12.5 percent credit based on the security's market value when given. The chart below illustrates the estimated after tax/out-of-pocket cost of giving for a range of donations. The actual credit earned is figured based on all eligible contributions during the tax year and capped at \$100,000 per taxpayer with the balance carried forward up to five years. The calculations include the "add-back" effect of federal income taxes due to the donor receiving the state refund.

#### Tax Savings Examples - Close to 50% Savings in Out of Pocket Costs

Marginal Tax Rate	37%	35%	32%
Qualifying Contributions	\$50,000	\$50,000	\$50,000
Federal Income Tax Deduction	\$(13,018)	\$(12,315)	\$(11,259)
State Income Tax Deductions	\$(2,315)	\$(2,315)	\$(2,315)
Colorado Enterprise Zone Credit	\$(12,500)	\$(12,500)	\$(12,500)
After tax/out-of-pocket cost of giving	\$22,167	\$22,870	\$23,926



## Considerations for Receiving the EZ Tax Credit

- Donor must have some taxable income. Specifically, they must have a Colorado tax liability to take advantage of the credit.
- Donor gift(s) must be designated to qualifying project(s) and made through the Metropolitan State University of Denver Foundation.
- Only direct contributions qualify. Donors cannot receive a benefit in return for their contribution.
- The minimum gift is \$250. Donations are cumulative per year. For example, two separate \$200 payments made during the year qualify for the credit since they combine to exceed \$250.
- There may be some situations or tax issues that affect a donor's ability to take advantage of this credit or to realize the full benefit of the credit.

### Please Consult Your Tax Advisor

Individuals interested in taking advantage of the Enterprise Zone Tax Credit opportunities at MSU Denver should consult their tax advisor prior to taking any action based on the information included in this document. Circumstances differ from individual to individual, and the information represented in this document is of a general nature and should not be construed as legal, accounting or tax advice.

\*EZ Credit certification for this project has been approved through 12/31/2022. Project is subject to annual recertification.



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