



**METROPOLITAN
STATE UNIVERSITYSM**
OF DENVER

Enterprise Zone Tax Credit

The Health
Institute at
MSU Denver



www.msudenver.edu/health-institute

What is an Enterprise Zone?

The state of Colorado has designated certain areas “Enterprise Zones” to encourage area revitalizations, job growth and public-private partnerships. By taking advantage of the EZ Tax Credit, you can make a gift and have a lower after-tax/out-of-pocket cost than with other gifts.

The Health Institute at MSU Denver

The Health Institute at MSU Denver is a combined capital and programmatic initiative focused on growing Colorado’s health care workforce through an expanded and integrated academic approach. By bringing together 10 academic departments, the Health Institute will increase the number of candidates entering the health workforce in Colorado and facilitate an innovative approach to health career learning that revolutionizes how students in health learn and engage.

The Health Institute’s goal is to educate and equip a diverse, culturally competent and prepared healthcare workforce for Colorado by combining health-related academics with real-world experience. MSU Denver’s Health Institute will advance health equity in Colorado by diversifying the workforce and cultivating a whole-person approach to wellness. Increasing diversity and cultural competency within health care systems contributes significantly to improved health and healthcare for marginalized communities.





Your Tax Benefit

Qualifying gifts made through the MSU Denver Foundation to capital costs and/or operational costs associated with the Health Institute at MSU Denver are eligible to receive an income tax credit of 25% for cash contributions and 12.5% for in-kind contributions, which is over and above standard deductions. Securities are considered in-kind contributions and are eligible for a 12.5% 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.

Note: 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.

Tax Savings Example

	CASH	IN-KIND	CASH	IN-KIND	CASH	IN-KIND	CASH	IN-KIND
QUALIFYING CONTRIBUTIONS	\$5,000	\$5,000	\$10,000	\$10,000	\$50,000	\$50,000	\$100,000	\$100,000
FEDERAL AND CO STATE INCOME TAX DEDUCTION	\$1,217	\$1,392	\$2,433	\$2,783	\$12,167	\$13,917	\$24,334	\$27,834
ENTERPRISE ZONE CREDIT	\$1,250	\$625	\$2,500	\$1,250	\$12,500	\$6,250	\$25,000	\$12,500
TOTAL TAX BENEFIT	\$2,467	\$2,017	\$4,933	\$4,033	\$24,667	\$20,167	\$49,334	\$40,334
AFTER-TAX/OUT-OF-POCKET COST SAVINGS	\$2,533	\$2,983	\$5,067	\$5,967	\$25,333	\$29,833	\$50,666	\$59,666

**Assumes a 28% marginal federal tax rate. Federal tax benefit is lowered because of the add-back effect of state income taxes. Individual results will vary depending on donor's unique tax situation.*

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 MSU 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.*
- Denver County Economic Development approves all donations for the tax credit and sends completed Department of Revenue Form DR0075 to the MSU Denver Foundation. *Donors will need to provide last four digits of SSN in order to complete this form.*

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.



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