

NAP Credits

2011-2012

Heart City Award 2011 to 2012

- July 1, 2011 to June 30, 2012
- Donations may be made online.

What is Nap?

- The Neighborhood Assistance Program (NAP) offers up to \$2.5 million in tax credits annually for distribution by 501©3 not-for-profit organizations.
- NAP gives the donor incentive to contribute to an organization by giving a tax credit for exactly 50% of the donation amount.

Goals of Nap

- The goals of NAP are to provide organizations with a tool to increase charitable contributions and build a donor base as well as to improve the standard of living and quality of life for all Hoosiers.
- The program is designed to benefit targeted populations in socioeconomic distress.

How Does The Program Work?

- Tax credits may only be applied against Indiana income tax liability.
- Credits must be claimed for the taxable year of the contribution.
- **Tax credits must equal 50% of the donation.**
- The Minimum donation is \$100.

How Can The Program Work For Me?

- If you make a gift of \$1,000, you receive a tax credit of \$500 against your Indiana State Income tax liability for 2011.
- And if you itemize, the full \$1,000 is deductible on your federal tax return. Example:

Your gift of	\$1,000
Indiana State Tax Credit	\$-500
<u>Federal Income Tax Bracket (15%)</u>	<u>\$-150</u>
Cost of Gift	\$350