

# You can make a greater difference for our youth

## AND get BIG tax benefits!

Covenant House Missouri has once again been awarded Youth Opportunities Program (YOP) tax credits, a great tax credit incentive for residents of Missouri!

Missouri donors may qualify for YOP tax credits when a minimum gift of \$1,000 is made to Covenant House Missouri between April 1, 2011 and March 30, 2012. The examples below illustrate the tax benefits in detail. More than one gift can be made during the funding period.

## Here's How it Works

1. A donation of \$1,000 or more to Covenant House Missouri will qualify for YOP tax credits!
2. Covenant House Missouri will send the tax credit paperwork to you.
3. Once you have completed the forms, mail the materials back to Covenant House Missouri.
4. We will review the forms, notarize and forward them to the Missouri Department of Economic Development (DED).
5. The DED will process the application and send you the Certificate of Eligibility and MO tax credit form for your state tax return.

### Example of how the tax benefit is computed.

Donation	\$1,000	\$5,000	\$10,000	\$15,000	\$20,000
50% State Tax Credit	\$500	\$2,500	\$5,000	\$7,500	\$10,000
Federal charitable deduction based on 35% tax bracket	\$350	\$1,750	\$3,500	\$5,250	\$7,000
MO charitable tax deduction based on 6% State tax bracket	\$60	\$300	\$600	\$900	\$1,200
Reduced Federal deduction for State tax paid based on 35% Federal tax bracket	Add back \$175	Add back \$875	Add back \$1,750	Add back \$2,625	Add back \$3,500
<b>Out of Pocket Cost</b>	<b>\$265</b>	<b>\$1,325</b>	<b>\$2,650</b>	<b>\$3,975</b>	<b>\$5,300</b>

Covenant House Missouri will accept gifts in the form of cash (check or credit card), stocks or bonds. Tax credits may be used for the tax year in which the donation is made or carried forward for five succeeding tax years.

**If you have any questions or to RSVP, please contact Covenant House Missouri at (314) 450-7685!**

*CHMO recommends that you consult a professional tax advisor when calculating tax benefits or other forms of charitable contributions.*



[www.covenanthousemo.org](http://www.covenanthousemo.org)

**YOP Informational Meeting in Clayton, MO on Tuesday, November 29, 2011.  
Visit [www.covenanthousemo.org](http://www.covenanthousemo.org) for more information.**