



EPISCOPAL HABITAT COALITION



Your Taxes Can Build a House

Help the Episcopal Habitat Coalition in its mission to raise funds and build houses for Habitat for Humanity.

Thanks to a recently enacted Arizona tax law, taxpayers can get a dollar-for-dollar tax credit of up to \$400 on their Arizona income tax return for charitable contributions made to a qualifying charitable organization. Single taxpayers can contribute up to \$200 and married couples can contribute up to \$400. An Arizona charitable tax credit contribution has the effect of reducing your Arizona tax liability dollar-for-dollar for every dollar up to \$400 that you contribute.

How Will These Funds Be Used?

Your contribution will provide the land and materials for a house to be built by the Episcopal Habitat Coalition in support of our work for Habitat for Humanity.

Is The Episcopal Habitat Coalition a Qualifying Organization?

Yes. The Episcopal Habitat Coalition is a non-profit 501(c)(3) tax exempt publicly supported charitable organization and is a qualifying charitable organization of the Arizona Charitable Tax Credit. The charitable purpose and mission of the Episcopal Habitat Coalition is to help eliminate poverty housing and make decent shelter for all people a matter of conscience and action.

Who Should Consider Making a Qualified Charitable Tax Credit Contribution?

You should consider making a charitable contribution of up \$400 if:

- You anticipate paying Arizona income taxes for 2009.
- You will itemize your charitable contributions on your 2009 Arizona tax return; and
- The amount of the tax credit is equal to any increase over the amount you gave in the base year of 1996 or later. For example, if you itemized contributions of \$2,000 in your base tax year, and increase your contributions in 2009 to \$2,400, you would be eligible for a \$400 state tax credit, if married and filing jointly.

What's The Difference Between a Charitable Tax Credit and a Charitable Deduction?

A charitable tax credit is much more favorable to you as a taxpayer. A charitable tax credit reduces your Arizona tax liability dollar-for-dollar (i.e., gives to your State accepted charity what you would otherwise give to the State.) A charitable deduction on the other hand, is itemized and subtracted from gross income to determine the amount of the taxpayer's taxable income, thus reducing a taxpayer's tax liability by a limited percentage based on tax rates.

