

75% Iowa Income Tax Credit for Contribution to CTO

Example for Individuals, S Corps, LLCs/Partnerships, Trusts, and Estates

These examples are for comparison purposes only and do not constitute tax advice.

Consult with your tax advisor about potential tax benefits when donating to CTO.

Iowa Tax Savings					Federal Tax Savings		Total Benefit	Net Cost
If individual's taxable income (line 38 on Iowa Form 1040) is:	Then, Iowa income tax (based on 2023 tax rates) is approximately:	If you donate the following amount to CTO:	Then, your Iowa tax credit is:	Reducing Iowa income tax to (overpayment):	Plus, if itemizing deductions on Federal return, deduct:	And, reduce Federal tax by (assuming 32% rate):	Total Iowa & Federal tax savings of:	Net cost to donor (donation less tax savings) of:
<u>A</u>	<u>B</u>	<u>C</u>	<u>D = C x 75%</u>	<u>E = B - D</u>	<u>F = C - D</u>	<u>G = F x 32%</u>	<u>H = D + G</u>	<u>I = C - H</u>
\$100,000	\$5,486	\$5,000	\$3,750	\$1,736	\$1,250	\$400	\$4,150	\$850
\$150,000	\$8,486	\$7,500	\$5,625	\$2,861	\$1,875	\$600	\$6,225	\$1,275
\$200,000	\$11,486	\$10,000	\$7,500	\$3,986	\$2,500	\$800	\$8,300	\$1,700
\$250,000	\$14,486	\$20,000	\$15,000	\$(514)	\$5,000	\$1,600	\$16,600	\$3,400
\$300,000	\$17,486	\$25,000	\$18,750	\$(1,264)	\$6,250	\$2,000	\$20,750	\$4,250