



Tax Credit Benefit Illustration

This spreadsheet offers an example of how using CDFA tax credits can affect the amount of federal and state taxes a donor pays.
For an interactive spreadsheet, go to www.nhcdfa.org/tax-credits/tax-calculator.

	With \$100,000 Contribution	Without Contribution	Net Savings
1. Tax Credit used to pay NH BPT, BET, Insurance Taxes	75000		\$75,000
2. Federal Income Tax			
3. Taxable Income before CDFA Contribution & NH BPT	1000000	1000000	
4. less: Contribution to CDFA (Net of Tax Credit Benefit)	-100000	0	
5. less: NH Business Profit Taxes	-1500	-85000	
6. Adjustments to Taxable Income (3+4+5)	-101500	-85000	
7. Net Federal Taxable Income	898500	915000	
8. Federal Income Tax Rate	34.0%	34.0%	
9. Total Federal Income Tax Liability	305490	311100	5610
10. NH Business Profit Tax			
11. Net New Hampshire Taxable Income	900000	1000000	
12. NH Business Profit Tax Rate	8.5%	8.5%	
13. Total NH BPT Liability	76500	85000	8500
14. Net Savings on a \$100,000 Donation to CDFA Tax Credit Program			\$89,110
15. Net Percentage Cost of Original Contribution			
16. Net Cost of \$100,000 Contribution			\$10,890
17. Net Percentage Cost of Contribution			10.9%

- Notes:*
- a. Line 5: NH BPT net of Tax Credits is equal to line 13 less line 1.
 - b. Line 11: Net NH Taxable Income is equal to line 3 less line 4 in the Federal Income Tax section.
 - c. A 5 year carryforward is allowed if the total amount of the tax credit is not used in the year it is issued.
 - d. For Federal tax purposes there may be limitations that apply to your business.
 - e. Contributors are responsible for consulting with their own tax advisors to determine the impact of contributing to the CDFA tax credits on their fin.

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