

# Dalianis House



A Harbor Homes' Veterans  
FIRST Program

Information on Dalianis House Tax  
Credits for Businesses and Self-  
Employed Individuals with a NH state  
tax liability

# The Tax Credit

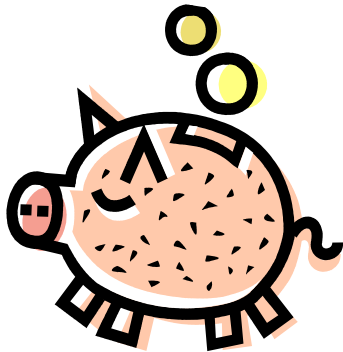
- 75% Tax Credit against contribution
- Used to pay any (or all) business taxes
  - Business Profits Tax (RSA 77-A)
  - Insurance Premium Tax (RSA 400-A)
  - Business Enterprise Tax (RSA 77-E)
- Credit taken within 5 years of donation

# Value of Tax Credits to Donors

- ✓ Contribution cost as little as \$0.11 per \$1.00 contributed after taking into account:
  - ✓ Tax Credit
  - ✓ NH Business Profit Tax Savings
  - ✓ Federal Income Tax Savings
- ✓ Opportunity to direct monies to projects of interest
- ✓ Leveraging the amount of support
- ✓ Positive public relations by supporting local non-profits

# NH BPT Savings

	<u>With Contribution</u>	<u>Without Contribution</u>
Taxable Income before Contribution	\$100,000	\$100,000
Contribution to CDFA	<u>- 25,000</u>	<u>0</u>
Pre-tax Income	\$75,000	\$100,000
NH BPT @ 8.5%	\$6,375	\$8,500



**Net Tax Savings = \$2,125**

# Federal Income Tax Benefits

	<u>With Contribution</u>	<u>Without Contribution</u>
Taxable Income before Contribution	\$100,000	\$100,000
Contribution to CDFA (Net of Tax Credit)	- 6,250	0
NH BPT @ 8.5%	<u>-(6,375)</u>	<u>-(8,500)</u>
Net Federal Taxable Income	\$87,375	\$91,500
Federal Income tax@ 34% Rate	\$29,707	\$31,140

**Net Tax Savings = \$1,403**

# Aggregate Savings

Tax Credit	\$18,750
NH BPT Savings	+2,125
Federal Income Tax Savings	<u>+1,403</u>
Total Savings	\$22,278
Net Cost of Contribution	\$2,722
Percentage Cost of Contribution	10.8%

# Types of Donations for Tax Credit Projects

- **Property** – tax credit based on 75% of appraised value.
- **Cash or securities** – tax credit based on 75% of the contribution.
- CDFA charges **a fee** of 15% for property donations and 20% for cash donations paid by the project sponsors.
- CDFA accepts up to **\$5 million** in donations in any single state fiscal year.