



# ISLANDHOUSINGTRUST

## COMMUNITY INVESTMENT TAX CREDITS

The Commonwealth of Massachusetts's Community Investment Tax Credit (CITC) program incentivizes donors to double their donation by providing them with a tax credit or refund worth 50% of their donation. This donation incentive doubles a donor's impact and greatly enables IHT to build homes and preserve the Island community.

### GIFT EXAMPLES

A donor wants to give \$5,000. With CITC, the donor is able to double their gift to \$10,000 and receive a tax credit or refund of \$5,000 on the tax return for the year in which the donation was made. The impact to IHT is doubled, but the 'out of pocket' expense remains the same once the tax credit or refund is received.

### WHO CAN DONATE THROUGH CITC?

- **Individuals, foundations, and businesses** can support IHT using CITC credits.
- **Massachusetts** residents, businesses, and foundations receive a tax credit that can be directly applied to their tax return.
- **Out-of-state** residents, businesses, and foundations receive a refund by completing an out-of-state Massachusetts tax return.

### WHAT KINDS OF GIFTS ARE ELIGIBLE FOR A TAX CREDIT?

- **Cash (or equivalent) and IRA gifts qualify;** stock gifts do not. Donor-advised funds (DAF) gifts are eligible, with the credit benefitting the DAF, not the donor.
- **Gifts of \$1,000 or more** are eligible to receive tax credits.
- **Checks, online donations, and ACH/ wire transfers** are acceptable donation methods.

### WHEN SHOULD DONATIONS BE MADE?

- **Credits are available on a first-come, first-served basis with preference given to multi-year pledges.** Pledge payments can be made at any time of year. It is recommended that one-time donations can be made early in the year to secure tax credits.

### QUESTIONS?

We want to make supporting IHT as easy as possible. Please email IHT Advancement Director, Erin Hepfner, at [ehepfner@ihtmv.org](mailto:ehepfner@ihtmv.org) or call (508) 693-1117 ext. 8.