

BY PARTICIPATING IN THE APOGEE TAX CREDIT, **YOU ARE REDUCING YOUR GEORGIA TAX LIABILITY** BY THE AMOUNT OF YOUR APPROVED CONTRIBUTION, ALLOWING YOU TO CHOOSE WHERE AND HOW YOUR TAX DOLLARS ARE BEING SPENT.

* please consult your tax advisor regarding your specific tax situation as certain circumstances can effect the overall tax benefit of the contribution.



C-CORPS/TRUSTS

- ✓ Divert up to 75% of your GA tax liability
- ✓ Established a convenient and consistent mechanism and incentive for your business to contribute directly to educating Georgia's children
- ✓ Targets educational expenditures directly to families and children in local communities rather than institutions that may reduce the amount of resources going directly to students
- ✓ Provides a cost effective method of maintaining philanthropic goals in a much more tax beneficial manner.
- ✓ C Corporations can claim the amount expended on the tax credit as a Business Expense instead of a charitable deduction as in previous years. This may result in an additional tax benefit on the State return.



PASS-THROUGH TAX PAYERS

- ✓ S-Corps and some non-S-Corp Pass-through entities funding their GA tax liability through the entity can redirect up to 75% of their GA tax liability to support scholarship opportunities. This contribution can also be claimed as an ordinary business expense, reducing the entity's overall taxable income in addition to reducing the GA tax liability burden.
- ✓ Pass-through taxpayers whose entities do not qualify to fund their GA tax liability though their entity can redirect up to \$25,000 per shareholder of the entity which can then be claimed on the personal GA tax return as a dollar-for-dollar tax credit. In some instances, the amount contributed can be funded through the entity and claimed as a business expense deduction.

TAX TALK

Q. WHAT IS THE MAXIMUM AMOUNT I CAN CONTRIBUTE?

- A. Up to \$2,500 for an individual
Up to \$5,000 for a married couple
Up to 75% of a C-Corp, Trust, or S-Corp/Pass-through electing to pay GA tax through the entity
Up to \$25k max for passthrough shareholders

Q. HOW IS THIS EDUCATION CREDIT BETTER THAN A TAX DEDUCTION?

- A. This credit gives you a dollar-for-dollar reduction in the amount you owe in Georgia taxes. For example, if you donate \$2,500, then your tax bill would be reduced by the full \$2,500.

Q. HOW DOES THIS IMPACT MY CURRENT TAX WITHHOLDINGS?

- A. Participation in the program does not automatically change your withholdings amount. The benefits of your donation will be realized when you file your year-end taxes.

Q. IS THERE A COST TO PARTICIPATING UNDER THE NEW TAX CODE?

- A. No. Regardless of your tax situation, you will receive a dollar-for-dollar State tax credit in exchange for your contribution, resulting in a pure wash. There is no cost to participating in the program.

Q. WHAT HAPPENS IF MY DONATION EXCEEDS MY TAX LIABILITY?

- A. The tax credit is a "nonrefundable" credit. Any excess can be carried forward for up to 5 years.

Q. CAN I DONATE IF I PLAN TO GET A REFUND WHEN I FILE MY TAXES?

- A. If claiming a non-business type credit, yes!

Q. CAN APOGEE ACCEPT MATCHING GIFTS AND CHARITABLE CONTRIBUTIONS?

- A. Yes. Apogee is a 501c3 non-profit and is eligible to receive all charitable gifts.