

# **The Endow Iowa Program and the Iowa Legal Aid Foundation**

## **Frequently Asked Questions**

### ***What is Endow Iowa?***

The “Endow Iowa” program was created by Iowa lawmakers in 2003 with the purpose of enhancing Iowans’ quality of life through increased charitable giving to Iowa community foundations and their nonprofit partners. To achieve this goal, Endow Iowa provides a substantial state tax credit to donors who make gifts to qualifying community foundations.

### ***How does the “tax credit” work?***

The tax credit equals 25% of the amount of the donation and directly reduces dollar for dollar the donor’s Iowa income taxes. For example, in 2016, if you make a \$10,000 gift to the Iowa Legal Aid Foundation through a qualifying community foundation, you are eligible to receive a \$2,500 credit against your Iowa income taxes. Qualified donors can carry forward the tax credit for up to five years.

### ***If I make a gift this year, am I certain to get a tax credit this year?***

You may not be awarded Endow Iowa tax credit in the same year you make the donation because Iowa places an annual limit on the total tax credits allowed. Donors qualify on a first-come-first-serve basis until the yearly tax credit limit is reached. If you donate after the limit is reached, you will be the first to receive credit in the following year.

### ***May I deduct my charitable contributions on my federal and Iowa income tax returns?***

Beginning in 2010, contributions to Endow Iowa are no longer deductible on your Iowa income tax return. Federal deduction is permitted if you receive more favorable treatment by itemizing deductions instead of taking the standard deduction.

### ***How do I make a donation to the Iowa Legal Aid Foundation Friends Fund and receive the tax credit?***

To receive the tax credit under the Endow Iowa program, donations must be made to a “qualified” community foundation. The Iowa Legal Aid Foundation has partnered with the Greater Cedar Rapids Community Foundation to meet this requirement. To make a donation, simply send a check to the Greater Cedar Rapids Community Foundation and note your donation is for the Iowa Legal Aid Foundation Friends Fund. You will then receive a simple application to fill out and return. The Greater Cedar Rapids Community Foundation then completes and submits the application to the Iowa Economic Development Authority, which will send you a tax credit award statement.

### ***How does Iowa Legal Aid Foundation receive my gift?***

Endow Iowa contributions are placed into the Iowa Legal Aid Foundation Friends Fund administered by the Greater Cedar Rapids Community Foundation. The Iowa Legal Aid Foundation will receive an annual distribution from the endowment fund in perpetuity. The

Friends Fund is designed to ensure that the balance of the endowment remain to generate annual income for charitable use year-after-year.

***Where should I send my check?***

Checks should be made payable and sent to:

The Greater Cedar Rapids Community Foundation  
324 3<sup>rd</sup> Street SE  
Cedar Rapids, IA 52401

(Be sure to note the gift is for the Iowa Legal Aid Foundation Friends Fund)

***May I make gifts by credit card?***

Yes, you may also make donations online by going to [www.gcrcef.org](http://www.gcrcef.org) and clicking on the orange DONATE button. Select SEARCH FUNDS and search for Iowa Legal Aid Foundation. You may also make a credit card donation by calling the Community Foundation at 319-366-2862. [Click here to make an online donation now.](#)

***May I make gifts of appreciated stock to the Iowa Legal Aid Foundation Friends Fund through the Endow Iowa Tax Credit program?***

Yes. [Click here to learn more.](#)

For general Endow Iowa questions or for assistance making a donation to the Iowa Legal Aid Foundation Friends Fund, please contact:

- Iowa Legal Aid –
  - Terri Bennett at 515-243-2980 x 1611 or [tbennett@iowalaw.org](mailto:tbennett@iowalaw.org)
  - Tracie Behr at 515-243-2980 x 1622 or [tbehr@iowalaw.org](mailto:tbehr@iowalaw.org)
- Greater Cedar Rapids Community Foundation –
  - Laura Booth at 319-774-2367 or [laura.booth@gcrcef.org](mailto:laura.booth@gcrcef.org)
  - Michelle Beisker at 319-774-2362 or [michelle.beisker@gcrcef.org](mailto:michelle.beisker@gcrcef.org)