

Endowment Giving

The establishment of a named endowment is a meaningful way to create an indefinite legacy. Individuals are able to partner with the ShareHouse Foundation to identify an area of significant interest and align donor support to ensure maximum benefit with their gift.

Beyond specific intent, there are two significant advantages to establishing an endowment. First, the State of North Dakota has developed a tax credit system which provides beneficial credits for individuals who donate to qualified endowments. Second, gifts which are \$5,000 or more annually may pledge out over a period of months or years depending upon the wishes of the donor. Pledges from \$5,000 up to \$50,00 can be up to five years. Pledges more than \$50,000 can be up to ten years.

Pledge Example With Monthly

<u>Pledge Total</u>	<u>Number of Years</u>	<u>Per Month</u>
\$5,000	1	\$417
\$10,000	3	\$278
\$20,000	5	\$334
\$50,000	5	\$834
\$75,000	10	\$625
\$100,000	10	\$834

North Dakota Tax Credit

The State of North Dakota provides a charitable income tax credit for taxpayers who choose to donate a minimum of \$5,000 annually to qualified endowments. Both cash and planned gifts are eligible for this type of credit including trusts, annuities, life insurance policies, etc..

Individuals who donate to a qualified endowment benefit from a 40% income tax credit with a maximum credit of \$10,000 per person, \$20,000 for a married couple with any excess unused credit eligible to be carried forward for three years.

Businesses and financial institutions (C corps, S corps, LLC's, estates, and trusts) who donate to a qualified endowment benefit from a state income tax credit which amounts to 40% of the value of the gift with a maximum benefit of \$10,000 per year. Businesses may also carry forward unused credits for up to three taxable years (Financial institutions are excluded).

Example With Tax Credit Applied

<u>Gift</u>	<u>\$5,000</u>	<u>\$10,000</u>	<u>\$25,000</u>
<u>Fed Tax Credit</u>	-\$1,780	-\$3,561	-\$8,902
<u>ND Tax Credit</u>	-\$2,000	-\$4,000	-\$10,000
<u>Net Cost Of Gift</u>	\$1,220	\$2,349	\$6,098