

February 15, 2018  
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### **How do other states handle charitable contributions?**

- **States that have no state income tax**
  - Alaska, Florida, Nevada, South Dakota, Texas, Washington, Wyoming
  - New Hampshire and Tennessee do not tax earned income
- **States that start at Federal Taxable Income as their base, therefore allowing charitable contributions deductions to flow through to their income taxes**
  - Colorado, Michigan, Minnesota, North Dakota, South Carolina
  - Additional deductions for non-itemizers
    - Minnesota: 50% tax deduction for total charitable contributions over \$500, which includes contributions to non-Minnesota charities.
    - Colorado: Non-itemizers can take a subtraction of their charitable contributions less \$500. So if they gave \$1200 in contributions, the amount deducted is \$700.
- **States that allow for a specific deduction, but are otherwise decoupled**
  - North Carolina: taxpayer can either take N.C. standard deduction or N.C. itemized deductions. If they opt to itemize, they can deduct charitable contributions allowed on the Federal forms.
- **States that offer a tax credit for forms of charitable contributions**
  - Arizona: Allows a tax credit for contributions made to organizations that assist low-income Arizonans. Available to itemizers and non-itemizers. Maximum credit is \$900 for singles, \$1,800 for married filers.
  - Michigan (expired): Tax credit for the lesser of \$100/\$200 (single/married) and 50% of the total contributions.
  - Missouri: Several tax credits for giving to various causes (child advocacy centers, food pantries)
  - Endowment Tax Credits
    - Iowa: Endow Iowa Tax Credit, 25% tax credit to gifts made to a permanent endowment fund.
    - Kentucky: Endow Kentucky Tax Credit: 20% credit for a gift to an endowment fund at a local community foundation.

- Montana: 40% tax credit for donations to a charitable endowment
- North Dakota: 40% of the deduction allowed by the IRS, up to a maximum of \$10,000 for single filers and \$20,000 for married filers.
- **States that do not provide any deductions or credits for charitable contributions**
  - Illinois, Indiana, New Jersey, Pennsylvania, Tennessee, West Virginia, Wisconsin

**Sources:**

<https://blog.commongoodvt.org/2015/04/impact-charitable-deduction-caps-hawaii-michigan/>

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