

North Dakota Tax Credit

AS A NORTH DAKOTA INDIVIDUAL TAXPAYER

The North Dakota Legislature has created legislation that allows a significant income tax credit for certain gifts to “permanent, irrevocable” endowment funds of qualified North Dakota charitable organizations. This legislation pertains to certain gifts made by individuals.

HOW THE TAX CREDIT WORKS

North Dakota legislation allows for a 40% tax credit for certain gifts by individuals to a qualified endowment fund held by qualifying North Dakota nonprofit organizations. If an individual makes a gift(s) to such an endowment fund, the aggregate of the year’s gifts to a particular fund must be \$5,000 or more in order to receive the tax credit. The maximum credits that may be claimed under this subsection are \$10,000 (\$25,000 in gifts) for an individual or \$20,000 (\$50,000 in gifts) for married individuals filing jointly. Unused credits may be carried forward for up to three additional tax years.

EXAMPLE OF TAX BENEFITS TO AN INDIVIDUAL

Mrs. Smith, a North Dakota resident, donates \$20,000 in cash to your endowment fund. She receives an \$8,000 tax credit (40%) on her North Dakota tax return. If she is in the 28% Federal tax bracket, her Federal tax savings are \$3,360 (28% of \$12,000; \$12,000 is the different between the \$20,000 charitable deduction offset by an \$8,000 reduction in the state income tax deduction). The cost of her \$20,000 gift is offset by \$11,360 in tax savings (56.8% of the gift amount).

For tax implications, please consult your tax specialist.




Our Mission

TO ENCOURAGE ALL PEOPLE
TO KNOW THE LOVE OF CHRIST
BY SUPPORTING THE MISSION &
MINISTRY OF HOPE LUTHERAN CHURCH

Contact Us

 FARGOHOPE.ORG/FOUNDATION

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 701.235.6629

Questions & Answers

WHY SHOULD I CONSIDER MAKING A GIFT TO THE HOPE LUTHERAN FOUNDATION?

- To memorialize loved ones
- As an expression of gratitude and appreciation felt toward the Hope Lutheran congregation
- As a legacy gift to support the mission and ministry of Hope Lutheran Church now and into the future

HOW ARE MY FOUNDATION GIFTS MANAGED?

All foundation dollars are invested in perpetuity to generate an annual earnings stream that grows over time. This creates a gift that continues to give year after year, to support and expand the mission and ministry of Hope Lutheran Church.

HOW ARE HOPE'S FOUNDATION DOLLARS USED TO SUPPORT THE MISSION AND MINISTRY OF HOPE LUTHERAN CHURCH?

The Foundation's annual income stream provides dollars "beyond the offering plate" to supplement the many ministries of Hope Lutheran Church. It provides additional resources where they are needed most. For example, our growing Children's & Student ministries have greatly benefitted from the Foundation's support.

HOW DO I DISTINGUISH A GIFT TO THE HOPE LUTHERAN FOUNDATION FROM A DONATION TO HOPE LUTHERAN CHURCH?

Funds, stock, life insurance, etc. intended for the Hope Lutheran Foundation should be specifically indicated as such. The Hope Lutheran Foundation operates as a separate entity from Hope Lutheran Church.

IS MY CONTRIBUTION TO THE HOPE LUTHERAN FOUNDATION TAX DEDUCTIBLE?

YES! The Hope Lutheran Foundation is a 501(c)(3) organization. For tax implications, please consult your tax specialist.

Make a Legacy Gift

THERE ARE SEVERAL WAYS TO MAKE A LEGACY GIFT TO THE HOPE LUTHERAN FOUNDATION...

- Cash gift
- Automatic reoccurring gift
- Stocks, bonds, and real estate
- Wills and charitable trusts (estate planning)
- Beneficiary of retirement plan assets and distributions
- Beneficiary of a life insurance policy
- Qualified Endowment

If you would like to give a gift to the Hope Lutheran Foundation, or if you have any questions, call the Hope Lutheran Church Office at 701-235-6629 or email foundation@fargohope.org.

