

CLARIFICATION OF MAXIMUM IDAHO EDUCATION TAX CREDIT IN 2011

Due to a very generous Idaho education tax benefit this year, you can get back 50% of your donation to St. Joseph's School in a tax credit against your tax obligation. The CREDIT is half of the amount donated, and the CREDIT can't exceed \$500. Therefore, the maximum DONATION allowed would be \$1,000 for individuals, and \$2,000 for couples filing jointly. This is a simplified explanation of a tax that will vary according to the individual's tax obligation and financial circumstances, so please consult your tax advisor, or current tax tables, to calculate your credit, based on your own tax circumstances.

You can find the full Idaho Individual Tax instruction booklet at http://tax.idaho.gov/forms/EIN00046_09-07-2011.pdf, and you will find the relevant regulation on page 24, which is excerpted here as follows:

PART E. CREDITS FOR CONTRIBUTIONS TO IDAHO EDUCATIONAL ENTITIES, IDAHO YOUTH AND REHABILITATION FACILITIES, AND LIVE ORGAN DONATIONS EXPENSES

LINE 1 CREDIT FOR CONTRIBUTIONS TO IDAHO EDUCATIONAL ENTITIES

If you donated cash to qualified educational entities, you may claim a tax credit. Donation of goods or services don't qualify.

The credit is limited to the smallest of:

- **one-half of the amount donated,**
- **50% of the tax on Form 40, line 21,**
- **\$500 (\$1,000 on a joint return),**
- **the tax on Form 40, line 21 less the amount on Form 40, line 22.**

When determining the amount of credit, you should include amounts from Form ID K-1, Part C, line 1, in your calculations.

A qualified educational entity includes:

- a nonprofit corporation, fund, foundation, research park, trust, or association organized and operated exclusively for the benefit of Idaho colleges and universities
- a nonprofit, private or public Idaho school (elementary, secondary or higher education) or its foundation
- Idaho education public broadcast system foundations
- the Idaho State Historical Society or its foundation
- an Idaho public library or its foundation
- an Idaho library district or its foundation
- an Idaho public or private nonprofit museum
- the Idaho Commission for Libraries
- Idaho Commission on Hispanic Affairs
- Idaho Commission for the Blind and Visually Impaired
- Idaho Council on Developmental Disabilities
- Idaho State Independent Living Council
- Idaho Council for the Deaf and Hard of Hearing