The Endow Iowa Tax Credit program was created in 2004 and since then has leveraged over $335 million in endowment gifts to support Iowa communities and charitable causes. This program has made nearly $79 million in tax credits available to a wide variety of donors. For the past eight years, the annual tax credit limit has been $6 million per year and each year every tax credit has been distributed. The program is administered by the Iowa Economic Development Authority (IEDA) in collaboration with the Iowa Council of Foundations (ICoF).

**ENDOW IOWA TAX CREDITS:**

1. **OFFER A 25% STATE INCOME TAX CREDIT**
   - to donors who make gifts to an endowed fund at a qualified community foundation* in Iowa;

2. **ARE AWARDED ON A**
   - first-come, first-served basis;

3. **OFFER A MAXIMUM ANNUAL CREDIT OF**
   - $300,000 per taxpayer & $600,000 per couple;

4. **CAN BE CLAIMED BY**
   - individuals, businesses, or financial institutions;

5. **AND ARE NOT**
   - transferable or refundable.

*Qualified community foundations are confirmed in compliance with the National Standards for U.S. Community Foundations.

Demand continues to grow for this worthwhile program.

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**OUR ASK FOR 2022**

- **INCREASE**
  - the annual tax credit allocation from $6 million/year to $10 million/year. [IA Code §15E.305(2)]

- **REDUCE**
  - the maximum amount of tax credits awarded to an individual taxpayer to $100,000 annually. [IA Code §15E.305(2)(a)]

  *This was included in the tax bill the Governor signed on March 1, 2022.*

Our goal with these two adjustments is to make more tax credits available for more donors throughout the state. We also hope these changes would eliminate the long delays donors currently face in receiving the credit after they have made their charitable contribution.
In 2021, Endow Iowa donors gave $68.2 M to endowed funds at Iowa community foundations.

In the same year, existing Endow Iowa funds distributed $27.1 M in grants.

Grants were distributed to over 5,900 nonprofits and charitable causes throughout Iowa’s 99 counties.

**This innovative statewide program:**

- Strengthens communities through philanthropy;
- Leverages 4 private dollars for every public dollar invested in the program;
- Creates charitable giving vehicles in communities of all sizes;
- Keeps dollars in Iowa and invests in Iowa’s future;
- Provides a new opportunity for collaboration;
- Encourages contributions that provide support now and in the future;
- Develops local community leadership; and
- Positions Iowa as a national leader in supporting and promoting philanthropy.

**Endowments are invested in perpetuity**

Funds will continue to grow over time, generating more charitable grant distributions each year.

**Year 1**
Donor establishes a $10,000 Endow Iowa endowment fund.

**Year 50**
Fund grows to $57,000 + $66,000 in cumulative grants distributed

Initial gift is invested.

Fund has grown 12 times initial gift value.

*This illustration assumes an 8.5% return on a rolling average with a 4.5% annual payment.

**Qualified Iowa community foundations:**

Cedar Falls Community Foundation
Community Foundation of Carroll County
Community Foundation of Greater Des Moines
Community Foundation of Greater Dubuque
Community Foundation of Greater Muscatine
Community Foundation of Johnson County
Community Foundation of Northeast Iowa
Community Foundations of Southwest Iowa/Omaha Community Foundation
Fort Dodge Community Foundation & United Way

Greater Cedar Rapids Community Foundation
Greater Poweshiek Community Foundation
Keokuk Area Community Foundation
Pella Community Foundation
Pottawattamie County Community Foundation
Quad Cities Community Foundation
Siouxland Community Foundation
Waterloo Community Foundation

*These community foundations, in partnership with their affiliate community foundations, serve each of Iowa’s 99 counties. To locate and learn more about your local community foundation, please visit www.iowacommunityfoundations.org.*