

Your Donation to the Stettler Sports Park can reduce your income taxes
Charitable donations and Government Gifts
Income Tax Reductions

INDIVIDUALS:

Donations up to 75% of Net Income can be used as an income tax reduction

First \$200.00	26%
Amount Exceeding \$200.00	41.75%

Donations greater than 75% of Net Income or the amount to reduce federal tax to zero, can be carried forward for up to 5 years.

Examples (assuming no other charitable donations and government gifts):

Donation	Tax Reduction		Cost to you after tax reduction
\$500.00	\$200 x 26%	"=\$52.00	
	\$300 x 41.75%	"=\$125.25	\$177.25
\$1,000.00	\$200.00 x 26%	"=\$52.00	
	\$800.00 x 41.75%	"=\$334.00	\$386.00
\$5,000.00	\$200.00 x 26%	"=\$52.00	
	\$4800.00 x 41.75%	"=\$2004.00	\$2,056.00
			\$2,944.00

CORPORATE:

Donation up to 75% of Net Income can be deducted from net income

Deduct amount of donation from net income for income tax purposes.
Combine total tax rate for 2008 up to \$250000.00 of active business taxable income

16.12%

Donations greater than 75% of Net Income can be carried forward for up to 5 years.

Examples (assuming no other charitable donations and government gifts):

Donation	Tax Reduction		Cost to you after tax reduction
\$1,000.00	x16.12%	\$161.00	\$839.00
\$5,000.00	x16.12%	\$806.00	\$4,194.00

If the corporation has investment income, the tax reduction could increase.

These are the general rules and simplified examples.
Actual results may differ depending on specific circumstances.