

CEDS said:

“Save money by giving some away!”



East Central Council of Governments

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The contribution tax credit—it's EZ!

An Enterprise Zone (EZ) is a state designated area in need of economic growth and diversification. It provides various state income tax credits to encourage the private sector to invest resources to create or maintain jobs within the zone area. All of Kit Carson, Cheyenne and Lincoln counties are located within the East Central Colorado Enterprise Zone. In general, all of Elbert County except its western residential subdivisions is within the zone but all of the area within the city limits of Simla, Kiowa and Elizabeth is within the zone.

Colorado has a number of tax credits to benefit EZ investors, but the most beneficial is a 25% state income tax credit for private contributions to an enterprise zone that will assist in implementing that zone's economic development plan. If you choose to make a cash donation to the East Central Enterprise Zone for one or more of its designated contribution projects, you will receive 25% of that amount as a credit against your state tax liability. The contribution also may be itemized on your federal tax return. The East Central Enterprise Zone recognizes non-cash donations, as well but non-cash contributions are limited to a 12.5% credit, rather than the 25% allowed for a cash donation.

The EZ community contribution credit benefits taxpayers by decreasing the amount of taxes due and by providing an opportunity to invest in the community.

A contribution to the EZ, however,



Make YOUR contribution the EZ way!

offers several benefits for communities:

- It represents an additional source of funds that can be received at any time during the year.
- It comes from a donor with a personal interest in the project, and it triggers other investment in the community, helping to stabilize the local economy.

To be eligible for the Community Contribution Tax Credit, your contribution check must be made out to the ECCOG/Enterprise Zone, and should be accompanied by a notation as to which project (or projects) your contribution is to benefit. A minimum contribution of \$250 is encouraged.

The contribution should be mailed to the EZ Administrator, who will complete a certification form that will be returned to you to attach to your tax return. Any state credit not used in the current year can be carried forward for up to five years.

ECCOG will pass through 100% of your enterprise zone contribution to the designated project. No administrative fees are applied.

For a listing of eligible contribution projects, or for more information about the enterprise zone, contact the EZ Administrator, 1-800-825-0208, or email jdowney@prairiedevelopment.com.

Here, it's easier to see what's important!
