

ATJ Fund endowment gifts may qualify for the community foundation state income tax credit through an arrangement with the Capital Region Community Foundation.



ACCESS TO JUSTICE FUND
NET COST OF
ENDOWMENT GIFTS
TO A COMMUNITY FOUNDATION
(For Michigan Residents)

2008 Individual Contributions

Assuming married filing jointly and no reduction in itemized deductions.

Federal Taxable Income After Contribution	Marginal Tax Rate	<u>\$300 Contribution</u>			<u>\$400 Contribution</u>			<u>\$1,000 Contribution</u>		
		Federal Tax Savings	Michigan Tax Savings	Net Cost of Gift	Federal Tax Savings	Michigan Tax Savings	Net Cost of Gift	Federal Tax Savings	Michigan Tax Savings	Net Cost of Gift
\$1-16,050	10%	\$ 15.00	\$ 150.00	\$ 135.00	\$ 20.00	\$ 200.00	\$ 180.00	\$ 80.00	\$ 200.00	\$ 720.00
\$16,051-65,100	15%	\$ 22.50	\$ 150.00	\$ 127.50	\$ 30.00	\$ 200.00	\$ 170.00	\$ 120.00	\$ 200.00	\$ 680.00
\$65,101-131,450	25%	\$ 37.50	\$ 150.00	\$ 112.50	\$ 50.00	\$ 200.00	\$ 150.00	\$ 200.00	\$ 200.00	\$ 600.00
\$131,451-200,300	28%	\$ 42.00	\$ 150.00	\$ 108.00	\$ 56.00	\$ 200.00	\$ 144.00	\$ 224.00	\$ 200.00	\$ 576.00
\$200,301-357,700	33%	\$ 49.50	\$ 150.00	\$ 100.50	\$ 66.00	\$ 200.00	\$ 134.00	\$ 264.00	\$ 200.00	\$ 536.00
Over \$357,700	35%	\$ 52.50	\$ 150.00	\$ 97.50	\$ 70.00	\$ 200.00	\$ 130.00	\$ 280.00	\$ 200.00	\$ 520.00

The Michigan direct tax credit is the smaller of 50% of the total amount contributed for the year or \$200 for joint filers or \$100 for single filers.

Federal tax savings = (contribution-michigan tax savings) x marginal tax rate

2008 Corporate Contributions

Assuming a federal marginal tax rate of 34% and that the Michigan Business Tax credit is not limited to 5% of the MBT liability.

Amount of Contribution	\$1,000.00	\$5,000.00	\$10,000.00	\$15,000.00
Federal Tax Savings	\$170.00	\$850.00	\$1,700.00	\$3,400.00
Michigan Tax Savings	\$500.00	\$2,500.00	\$5,000.00	\$5,000.00
Net Cost of Contribution	\$330.00	\$1,650.00	\$3,300.00	\$6,600.00

The Michigan Business Tax credit is the smaller of 50% of the total amount contributed for the year, \$5,000, or 5% of net MBT liability.

Consult with your tax advisor for any donations critical to your tax planning.

Access to Justice gifts are received and administered by the Michigan State Bar Foundation according to the Access to Justice Fund Guidelines at www.msbf.org/atjfund.