

## NYS Charitable Tax Credit Program FAQs

Contributions to the Research Foundation of the City University of New York (RFCUNY) are eligible for a New York State (NYS) tax credit for the tax year that the contributions were made. Donors may designate the intention of their contribution to the specific City University of New York (CUNY) College Foundation of their choice. All prospective contributors must apply and receive an authorization number to make a qualified contribution.

### Frequently Asked Questions (FAQs):

#### What is the NYS Charitable Tax Credit?

In response to the [Federal Tax Cuts and Jobs Act](#), NYS introduced legislation in Feb. 2018 to enact a FY19 budget that created a State-operated Charitable Gifts Trust Fund (The Fund). Under two separate accounts, The Fund accepts contributions for the purpose of improving: 1) health care and, 2) public education in NYS.

**Under the law, taxpayers may also contribute funds to specific non-profit organizations for specific purposes, including RFCUNY. Each contribution [to RFCUNY] must support programs benefiting students enrolled at CUNY (scholarships and tuition assistance do not qualify).**

The contribution's use shall be in accordance with NYS Finance Law [NY State Fin L § 92-GG \(2022\)](#).

#### Where can I learn more about this tax credit?

To find out more information about this tax credit, visit the NYS Department of Taxation and Finance page on [contributions to certain funds credit](#). You may also view the reference made in the [Summary of Tax Reforms for the FY19 Enacted Budget](#) and within the NY Tax Law [Chapter 60 Article 22 Section 606iii](#).

#### What are the income tax benefits?

- 85% of the qualified contribution can be claimed as a personal income tax credit in NYS income tax. For those who itemize their deductions, 15% of the qualified contribution can be a deduction against NYS income tax. A donor gets the benefit of both a deduction and credit on their NYS personal income tax return.
- For those who itemize their deductions, 15% of the qualified contribution is deductible against federal income tax.

- The credit is non-refundable, and you may not carry any unused credit forward to future years.
- Contributors should consult with their personal accountant or tax advisor when filing their taxes to ensure proper tax credit claims are filed and to maximize their benefits.

### How does it work?

- To participate, prospective contributors must reach out to the CUNY College Advancement Office of their choice.
- CUNY's application and approval process for the NYS Charitable Tax Credit Program is housed in University Advancement (UA) at CUNY Central. UA will work directly with the College's Advancement Offices and RFCUNY.
- An Agreement between RFCUNY and the College Foundation [where the donor has designated their contribution to] **must** be fully executed before RFCUNY transfers the funds to the College Foundation.

### Who is eligible?

- **Only individuals are eligible.** Contributions through family foundations, donor advised funds and corporations, including S-corporations, are *not* eligible for this program.
- Individuals must have a New York State tax liability to participate in this program.
- New York City, or local taxes, are *not* eligible.
- UA must first review and approve a submitted application before an applicant can contribute.

### What are the deadlines?

- Applications to participate in the program at the beginning of each calendar year are due by **September 30**.
- Starting October 1, UA will issue Certificates of Authorization for approved applicants on a first-come first-served basis founded upon the date the College Advancement Office received the contributor's application. UA will issue an authorization certificate to approved applicants by **November 15**.
- UA will email Certificates of Authorization along with instructions and information on sending contributions to the College Advancement Offices with a copy to RFCUNY; the College Advancement Offices will furnish the certificate to their donor and include the information on how to make the contribution.
- Approved applicants will send their contribution directly to RFCUNY; **All contributions must be received by November 30 to qualify for the tax credit.**
- RFCUNY will issue a Certificate of Receipt within 30 days of receipt of the authorized contribution and email it to UA. UA will send the receipt to the respective College Advancement Office who will ensure their respective donor receives it.

### What is acceptable proof of my contribution?

- Please retain your Certificate of Receipt to support any claimed contribution. You will need a copy of each Certificate of Receipt from RFCUNY that shows the date of the contribution, the amount of the contribution, and the corresponding number on the Certificate of Authorization.

### Should my contribution be made out to the RFCUNY?

- Yes! Per NYS Charitable Tax Credit Regulation, your contribution must be made out to the **Research Foundation of the City University of New York**.

### Key Facts to Know

- The minimum gift to participate in this program is \$10,000.
- There is an annual program cap of \$10 million CUNY-wide.

### Ways to make your contribution:

- **Cash is the preferred method** – by check or wire/ACH transfer- made to: Research Foundation of the City University of New York. Checks should be sent to RFCUNY. Wire and ACH transfers should follow instructions using RF's banking information.
- **Combination cash and stock**
- **Stocks:** evaluated value on the day of receipt is the actual gift amount regardless of its value the day donor submitted their request to their agent/broker. Stock donations will have a specific set of instructions, separate from Cash contributions.
- In-kind donations are *not* eligible.
- Credit card donations are *not* eligible.

Please contact Dianne Vargas ([dianne.vargas@cuny.edu](mailto:dianne.vargas@cuny.edu)) at UA regarding CUNY's participation in the NYS Charitable Tax Credit Program.