



GUEST COLUMN | KARI MCCANN BOUTELL

Get credit for giving to community foundations

Iowans just like you have taken advantage of the Endow Iowa Tax Credit Program to give back to their communities. Since 2003, Iowa community foundations have leveraged more than \$216 million in permanent endowment fund gifts. That's a remarkable amount of generosity, and it's created a remarkable amount of good.

Community foundations have used these funds to support programs that improve life across Iowa. In your community, the Greater Cedar Rapids Community Foundation has distributed more than \$105 million to nonprofit organizations and programs since 1992. The Community Foundation was instrumental in helping to fund recent flood recovery efforts.

It also helps fund other community programs and collaborations such as MICRO, a lending program for small businesses, and Reading Into Success, the local Campaign for Grade-Level

Reading working to support early literacy efforts. These are just a couple of examples of community foundation efforts that have affected people in Linn County.

The Endow Iowa Tax Credit program helps the Community Foundation accomplish this by offering a 25 percent tax credit to those who give to endowed funds at qualified Iowa community foundations. Six million dollars in tax credits are set aside for the program this year. Gifts of any amount qualify, so anyone can participate and reap the benefits.

You might wonder why our lawmakers would set aside \$6 million as tax credits. It's simple; they expect the tax credits to help generate \$24 million in endowed gifts this year, and that's just the beginning. Because endowed gifts are permanent, they are able to generate earnings now and forever. Iowa community foundations invest those gifts as princi-

pal, and then return earnings through annual community grants.

It's a strategy that can yield rewards for years to come. For example, in fiscal 2016, donors contributed \$93.6 million to Iowa community foundations, while community foundations paid out \$59.6 million in community grants.

During that time, endowed funds at Iowa community foundations grew 4.84 percent. This annual growth and distribution from endowed funds will help sustain nonprofits and charitable programs in communities throughout Iowa today and tomorrow.

With Endow Iowa, our state is at the forefront in creating public-private solutions that drive growth and benefit cities, towns and rural communities.

The program offers an effective investment in Iowa's future: for every \$1 of tax credit expended

by the state, community foundations leverage \$4 in donations to support efforts that enhance the quality of life for residents. Iowa can be proud of the leadership our community foundations play nationally in adhering to and promoting measures of accountability, transparency and effectiveness through compliance with National Standards for U.S.

Community Foundations, philanthropy's most rigorous measure of excellence.

I encourage Iowans to learn more about the Endow Iowa Tax Credit Program. Contact your professional adviser or the Greater Cedar Rapids Community Foundation. Community foundations welcome the opportunity to partner with you for a stronger Iowa — for good and forever.

● Kari McCann Boutell is president of the Iowa Council of Foundations, which works to strengthen and grow philanthropy across Iowa.