

## NYS Charitable Tax Credit Program FAQs

Contributions to the Research Foundation of the City University of New York (RFCUNY) may qualify for a New York State (NYS) tax credit in the year they are made. Donors can direct their contributions to the City University of New York (CUNY) College Foundation of their choice. To ensure eligibility, prospective contributors must first apply and obtain an authorization certificate from the College Advancement Office associated with their designated College Foundation.

### Frequently Asked Questions (FAQs):

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

**In response to the 2018 Federal Tax Cuts and Jobs Act, New York State created the Charitable Gifts Trust Fund to support health care and public education.** This NYS Charitable Tax Credit allows taxpayers to receive a tax credit for contributions made to specific organizations, including the Research Foundation of CUNY (RFCUNY).

Eligible contributions to RFCUNY must be used to fund CUNY student programs (excluding scholarships and tuition assistance) and comply with NYS Finance Law § 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% Tax Credit – Donors can claim 85% of their contribution as a credit on their NYS income tax.
- 15% Tax Deduction – If itemizing deductions, donors can deduct 15% of the contribution against both NYS and federal income taxes.
- Dual Benefit – Eligible donors receive both a deduction and a credit on their NYS tax return.
- Note: The credit is non-refundable and cannot be carried forward.
- 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?

- Prospective contributors contact the CUNY College Advancement Office of their choice to receive their application.
- University Advancement (UA) at CUNY then processes applications and coordinates with the College Advancement Offices and RFCUNY.
- Confirmation will be sent to the respective College Advancement Office that the application has been received.

### 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 the donor can make a qualifying donation.

### Important submission dates

- **September 30:** Applications are due. (Note: If the program's \$10 million contribution cap is not met by 9/30, applications may continue to be submitted and processed until November 15 on a first come, first serve basis.)
- **October 1:** UA begins issuing Certificates of Authorization. (Note: If the contribution cap is exceeded by 9/30, each donor will receive a certificate granting a pro-rated share of the qualifying amount, determined by the statute's formula.)
- **November 15:** All approved applicants receive their **authorization certificates**.
- **November 30:** Deadline for sending contributions to RFCUNY to qualify for the tax credit.
- **Within 30 days of contribution receipt:** RFCUNY issues a **Certificate of Receipt** to UA, which forwards it to the respective College Advancement Office for donor distribution.

### 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 annual program cap is \$10 million CUNY-wide. If the \$10 million cap is reached before the September 30 application cutoff, contributions received on the day the remaining cap is exceeded will be pro-rated according to NYS statute to ensure fair distribution of the available tax credit. Each contributor's share is determined using this formula:

$$\text{Remaining Cap} \times \left( \frac{\text{Individual Contribution}}{\text{Total \$ Contributions Received that day}} \right) = \text{Contributor's share}$$

### 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 of 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.

For further information on CUNY's participation in the NYS Charitable Tax Credit Program, the Colleges' Advancement Offices should contact Dianne Vargas ([dianne.vargas@cuny.edu](mailto:dianne.vargas@cuny.edu)) at UA.