State official outlines tax credit for donors to Kansas non-profit groups

Gale highlights benefits of program during monthly First Friday call

MANHATTAN, Kan. – Doing a good deed in your community has its payoffs.

That was a key message delivered recently by Dustin Gale, the manager of a Kansas Department of Commerce program that offers tax benefits for those who contribute to non-profit organizations.

The Community Service Program tax credit, he said, “is a direct deduction from your state tax obligation. And, a bonus to that on the federal side, is that you can deduct the difference if you itemize your taxes.”

Gale was the featured speaker during K-State Research and Extension’s monthly online series, First Friday e-Calls, which helps to nurture small businesses and inspire entrepreneurship in Kansas.

He said that the CSP has been available to Kansas donors since 1994, and contributes approximately $4.13 million annually to tax credits. Those credits can be as much as 70% of the donor’s contribution in rural areas (populations of 15,000 people or less), or 50% in larger populations.

“The Community Service tax credit provides an opportunity for private non-profit organizations and public health care entities to improve their ability to undertake major capital campaigns,” Gale said.

He added the projects are intended to help:

- Children and family services.
- Non-governmental crime prevention.
- Youth apprenticeship
- Youth technical training.
- Health care.
“Under this program, the state authorizes specially selected non-profit organizations to offer tax credits to donors making contributions to the approved projects,” Gale said.

Non-profit organizations are encouraged to apply for eligibility to the program. Gale said the next application period is March 1 through April 30. Donors who contribute to those programs during an 18 month period beginning July 1 will receive the tax credit.

In 2022, Gale said the program is especially encouraging non-profit childcare centers to apply for the program. The Kansas Department of Commerce has designated $1 million of the more than $4 million in CSP funds to go toward the development of non-profit childcare centers in the state.

More information about the program is available online. Gale’s full Jan. 7 presentation and other First Friday presentations are available online from K-State Research and Extension.

FOR PRINT PUBLICATIONS: Links used in this story
Kansas Department of Commerce Community Service Tax Credit program, https://www.kansascommerce.gov/program/community-programs/csp/


K-State Research and Extension First Friday e-Calls, www.ksre.ks-state.edu/community/business/entrepreneurship

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