

[< BACK TO LEGACY INCOME TRUSTS](#)

State and Local Tax Treatment of Charitable Contributions

In addition to the federal income tax deduction for qualified gifts to charity available to individual taxpayers, a number of states and local jurisdictions that tax individual income also permit resident taxpayers to deduct or receive a tax credit for qualified gifts to charity.

[DOWNLOAD PDF](#)

Please refer to the notes below for important disclosures. Potential Donors should consult their own tax advisors before contributing.

Residence	State/Local Individual Income Tax?	State/Local Charitable Tax Benefit	Maximum State/Local Charitable Tax Benefit
Alabama	YES	YES	3.15%
Alaska	NO	N/A	N/A
Arizona	YES	YES	8.00%
Arkansas	YES	YES	5.50%
California	YES	YES	13.30%*
Colorado	YES	YES	4.55%*
Connecticut	YES	NO	0.00%
Delaware	YES	YES	6.60%
District of Columbia	YES	YES	10.75%*
Florida	NO	N/A	N/A
Georgia	YES	YES	5.75%
Hawaii	YES	YES	11.00%*
Idaho	YES	YES	6.50%
Illinois	YES	NO	0.00%
Indiana	YES	NO	0.00%
Iowa	YES	YES	5.37%
Kansas	YES	YES	5.70%
Kentucky	YES	YES	5.00%
Louisiana	YES	YES	4.25%
Maine	YES	YES	7.15%*
Maryland	YES	YES	5.75%
Baltimore County	YES	YES	8.95%
Montgomery Co.	YES	YES	8.95%
Prince George's Co.	YES	YES	8.95%
Massachusetts	YES	NO	0.00%
Michigan	YES	NO	0.00%
Minnesota	YES	YES	9.85%*
Mississippi	YES	YES	5.00%
Missouri	YES	YES	5.30%
Montana	YES	YES	6.75%

Residence	State/Local Individual Income Tax?	State/Local Charitable Tax Benefit	Maximum State/Local Charitable Tax Benefit
Nebraska	YES	YES	6.84%
Nevada	NO	N/A	N/A
New Hampshire	YES	NO	0.00%
New Jersey	YES	NO	0.00%
New Mexico	YES	YES	5.90%
New York	YES	YES	6.33%*
New York City	YES	YES	10.21%*
Yonkers	YES	YES	7.39%*
North Carolina	YES	YES	4.99%
North Dakota	YES	YES	2.90%
Ohio	YES	NO	0.00%
Oklahoma	YES	YES	4.75%
Oregon	YES	YES	9.90%
Clackamas County	YES	YES	10.90%
Multnomah County	YES	YES	13.90%
Washington County	YES	YES	10.90%
Pennsylvania	YES	NO	0.00%
Rhode Island	YES	NO	0.00%
South Carolina	YES	YES	7.00%
South Dakota	NO	N/A	N/A
Tennessee	NO	N/A	N/A
Texas	NO	N/A	N/A
Utah	YES	YES	6.00%*
Vermont	YES	YES	5.00%*
Virginia	YES	YES	5.75%*
Washington	NO	N/A	N/A
West Virginia	YES	NO	0.00%
Wisconsin	YES	YES	5.00%*
Wyoming	NO	N/A	N/A

* Charitable tax benefit is reduced at higher contributor income levels or subject to a cap. See below for additional information.

Maximum state/local tax benefits indicated above are based on the treatment of qualified charitable contributions and tax rates in effect as of February 2022. State and local income tax rates and the treatment of charitable contributions for state

and local tax purposes are subject to change.

* In the following jurisdictions, the state and local tax benefits to individual resident taxpayers of charitable contributions are subject to additional limitations:

California	Otherwise allowable itemized deductions (IDs) are reduced by 6.0% of the taxpayer's federal adjusted gross income (AGI) in excess of a threshold amount (in 2021, \$212,288 for single filers, \$424,481 for married filing jointly (MFJ) and \$318,437 for head of household (HH)), up to maximum reduction of 80%. For a taxpayer whose federal AGI exceeds the applicable threshold, IDs up to 7.5% of the taxpayer's federal AGI in excess of the threshold are subject to the 80% reduction; IDs above 7.5% of the taxpayer's federal AGI in excess of the threshold are not reduced.
Colorado	Allowable IDs are limited to \$30,000 (in 2021) for single and head of household (HOH) taxpayers with federal adjusted gross income (AGI) in excess of a threshold amount (in 2021, \$400,000) and \$60,000 for married filing jointly (MFJ) taxpayers with federal adjusted gross income (AGI) in excess of a threshold amount (in 2021, \$400,000).
District of Columbia	Otherwise allowable IDs are reduced by 5.0% of the taxpayer's DC AGI in excess of a threshold amount (in 2021, \$200,000 for single, MFJ and HH). For a taxpayer whose DC AGI exceeds the threshold, IDs are allowable to the extent greater than 5% of the taxpayer's DC AGI in excess of the threshold.
Hawaii	Otherwise allowable IDs are reduced by 3.0% of the taxpayer's HI AGI in excess of a threshold amount (in 2021, \$166,800 for single, MFJ and HH), up to a maximum reduction of 80%. For a taxpayer whose HI AGI exceeds the applicable threshold, IDs up to 3.75% of the taxpayer's HI AGI in excess of the threshold are subject to the 80% reduction; IDs above 3.75% of the taxpayer's HI AGI in excess of the threshold are not reduced.
Maine	Allowable IDs are limited to \$31,150 (in 2022; adjusted annually for inflation) and phase out proportionately as the taxpayer's ME AGI increases from a lower threshold (in 2022, \$85,850 for single, \$171,100 for MFJ and \$128,750 for HH) to an upper threshold (in 2022, \$160,850 for single, \$321,700 for MFJ and \$241,250 for HH). Taxpayers whose ME AGI exceeds the upper threshold are not entitled to IDs.
Minnesota	Otherwise allowable IDs are reduced by 3.0% of the taxpayer's federal AGI in excess of a threshold amount (in 2021, \$199,850 for single, MFJ and HH), up to maximum reduction of 80%. For a taxpayer whose federal AGI exceeds the applicable threshold, IDs up to 3.75% of the taxpayer's federal AGI in excess of the threshold are subject to the 80% reduction; IDs above 3.75% of the taxpayer's federal AGI in excess of the threshold are not reduced.
New York	Otherwise allowable charitable IDs are reduced by 75% for taxpayers whose NY AGI exceeds \$10,000,000, and reduced by 50% for resident taxpayers whose NY AGI exceeds \$1,000,000 but is less than \$10,000,000. For resident taxpayers whose NY AGI is less than \$1,000,000 but exceeds a threshold amount (in 2021, \$100,000 for single, \$200,000 for MFJ and \$150,000 for HH), charitable and other IDs are reduced by 25% of the fraction of \$50,000 by which the taxpayer's NY AGI exceeds the threshold (to a maximum NY AGI-based ID disallowance of 25%) and then further reduced by 25% of the fraction of \$50,000 by which the taxpayer's NY AGI exceeds \$475,000 (to a maximum ID disallowance of 50%). Otherwise allowable IDs for taxpayers whose NY AGI is less than \$1,000,000 are further reduced by 3.0% of the taxpayer's federal AGI in excess of a threshold amount (in 2021, \$282,400 for single, \$338,850 for MFJ and \$310,600 for HH), up to maximum additional reduction of 80%.
Utah	The 6.0% tax credit for the sum of a taxpayer's Utah personal exemptions and federal deductions (other than for state income taxes paid) is reduced, but not below zero, by 21.67% of the taxpayer's Utah taxable income in excess of a threshold amount (in 2021, \$15,095 for single, \$30,190 for MFJ and \$22,643 for HH).
Vermont	The 5.0% tax credit for qualified gifts to charity is subject to an annual gift limit of \$20,000 (maximum annual credit of \$1,000).
Virginia	Otherwise allowable IDs are reduced by 3.0% of the taxpayer's federal AGI in excess of a threshold amount (in 2021, \$278,450 for single, \$334,150 for MFJ and \$306,300 for HH), up to maximum reduction of 80%. For a taxpayer whose federal AGI exceeds the applicable threshold, IDs up to 3.75% of the taxpayer's federal AGI in excess of the threshold are subject to the 80% reduction; IDs above 3.75% of the taxpayer's federal AGI in excess of the threshold are not reduced.
Wisconsin	The 5.0% tax credit applies to the taxpayer's charitable and other federal IDs allowable for WI purposes in excess of the WI standard deduction that applies.

Important Information and Disclosures

The indicated Maximum State/Local Charitable Tax Benefit for each jurisdiction reflects the treatment of qualified charitable contributions and state and local income tax rates in effect as of February 2022, rounded to the nearest hundredth of a percent. For the 29 states (and the District of Columbia) in which qualified charitable gifts are deductible for state tax purposes, the stated maximum charitable tax benefit generally equals the highest marginal tax rate applicable to individual resident taxpayers in each jurisdiction. The maximum charitable tax benefit indicated for AL and IA is the highest marginal individual tax rate in those states, net of the deduction for federal taxes paid that is available there. The maximum charitable tax benefit indicated for local MD jurisdictions reflects the highest combined state and local individual tax rates in effect there; other MD counties apply local resident income taxes at rates up to 3.20%, the impact of which is not shown. The maximum charitable tax benefit indicated for NY and the two NY cities with local income taxes (New York City and Yonkers) reflects the highest combined state and local individual resident tax rates in those jurisdictions for which the NY limitations on charitable deductions summarized above do not apply. For the three states (UT, VT and WI) that provide a tax credit for qualified charitable gifts, the stated maximum charitable tax benefit equals the tax credit percentage. This analysis ignores the surtax of up to 20% of residents' IA state income taxes applicable in certain local IA jurisdictions, the alternative minimum tax

imposed by certain states (CA, CO, CT, IA and MN) and the limited deduction for federal income taxes paid that is available in certain states (MO, MT and OR), which may affect the value of state charitable tax deductions. The availability of charitable and other allowable itemized deductions is limited to resident taxpayers who itemize their federal income tax deductions in DC, GA, ID, KS, LA, ME, MD, MO, NE, NM, ND, OK, SC and VA; other states permit resident taxpayers to itemize state income tax deductions and deduct qualified charitable gifts irrespective of whether they itemize federal deductions. AZ resident taxpayers who do not itemize state income tax deductions may increase the allowable AZ standard deduction by 25% of the value of their qualified charitable gifts. CO resident taxpayers who do not itemize federal income tax deductions may deduct qualified charitable gifts in excess of \$500 annually for state tax purposes.

The itemized federal income tax deduction available to individual taxpayers in the tax year of contribution for qualified charitable gifts to public charities is generally limited to not more than 60% of the taxpayer's federal adjusted gross income (AGI) for cash contributions, 50% of the donor's AGI for gifts of appreciated property for which the donor elects to base the charitable deduction on the fair market value of the property less the amount of the property's appreciation from cost or other tax basis, and 30% of the donor's AGI for other gifts of appreciated property, with the balance carried forward for up to five years after the year the contribution is made. For 2021, the federal deduction limit in the year of contribution is temporarily increased to 100% of AGI for cash gifts to certain qualified public charities (not including donor advised funds). State and local jurisdictions providing deductions or credits for qualified gifts to public charities generally follow the federal limits, but may not conform to the temporarily increased federal deductibility limit for certain cash charitable gifts in effect for 2021. AL, AR, HI, IA and MT generally use the federal deduction limits, but applied against state AGI. CA applies a 50% of federal AGI limit on the deductibility of cash charitable gifts in the year of contribution, rather than the federal limits. State and local jurisdictions providing deductions or credits for qualified charitable gifts to public charities generally follow the federal limits. AL, AR, HI, IA and MT use the federal percentage limits, but applied against state AGI. CA applies a 50% of federal AGI limit, instead of the 60% federal limit, on permissible charitable deductions in the year of contribution for cash gifts. See "Tax Considerations – Charitable Income Tax Deductions" in the Trusts' Information Statements for additional information.


State and local income tax rates and the treatment of charitable contributions for state and local tax purposes are subject to change. This table is provided for educational purposes only and is not intended to provide, and should not be construed as providing, legal or tax advice. The output is general in nature and is not intended to serve as the primary or sole basis for investment or tax-planning decisions. **Each prospective donor to a Trust should consult his or her own tax advisors with respect to the federal, state, local and non-U.S. tax implications of a contribution to a Trust.**

[Accessibility](#) | [Privacy and Security](#) | [Contact](#)

[Print page](#)

To report a website vulnerability, please go to [Responsible Disclosure](#).

Eaton Vance is part of Morgan Stanley Investment Management, the asset management division of Morgan Stanley.

 This image indicates content designed specifically for Financial Advisors / Investment Professionals. This material is not to be used with the public.

© Eaton Vance Distributors, Inc. All rights reserved. Two International Place, Boston, MA 02110.

U.S. Legacy Income Trusts® (Legacy Income Trusts) are pooled income funds established by U.S. Charitable Gift Trust® (Gift Trust), a tax-exempt public charity offering donor-advised funds. All activities of the Gift Trust and the Legacy Income Trusts and the participation of Donors and income beneficiaries in the Legacy Income Trusts are subject to the requirements of state and federal law, the terms and conditions of the applicable Declaration of Trust, the current information statement and/or gifting booklet and the completed forms submitted by each Donor. The Board of Directors of the Gift Trust (Board of Directors) reserves the right to modify the program of the Gift Trust and the Legacy Income Trusts at any time, subject to the provisions of the applicable Declaration of Trust and state and federal law. Any contribution to the Gift Trust or a Legacy Income Trust, once accepted by Eaton Vance Trust Company (Trustee), represents an irrevocable commitment. Contributions cannot be rescinded or changed, and are subject to the exclusive legal control of the Gift Trust, the Trustee and the Board of Directors. Donors to the Legacy Income Trusts should be motivated by charitable intent. As charitable giving vehicles, the Legacy Income Trusts should not be treated as, and are not designed to compete with, investments made for private gain. An intention to benefit the Gift Trust and one or more qualified charitable organizations eligible for support by the Gift Trust should be a significant part of the decision to contribute. The tax consequences of contributing to a Legacy Income Trust will vary based on individual circumstances. Prospective Donors should consult their own tax advisors. Distributions to Legacy Income Trust income beneficiaries are not guaranteed by any party, and are subject to investment risk. In considering potential changes in the distribution rates of the Legacy Income Trusts, the Trustee will assess their long-term earnings potential and seek to balance the interests of current and future income beneficiaries and the charitable remainder interests. Neither the Gift Trust nor the Legacy Income Trusts has been registered under federal securities laws, pursuant to available exemptions. Neither of the Gift Trust nor the Legacy Income Trusts is guaranteed or insured by the United States or any of its agencies or instrumentalities.

NOT FDIC INSURED | OFFER NO BANK GUARANTEE | MAY LOSE VALUE | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | NOT A DEPOSIT

Eaton Vance Distributors, Inc. (Placement Agent) is a paid solicitor of the Gift Trust and the Legacy Income Trusts, receiving compensation as described in the applicable information statement or gifting booklet.

This site and the materials herein are directed only to certain types of contributors and to persons in the United States where the Gift Trust and Legacy Income Trusts are authorized for distribution.

The foregoing discussion applies to the currently offered Legacy Income Trusts and the predecessor Legacy Income Trusts established by the Gift Trust in 2019, which ceased accepting new contributions on January 1, 2022. This discussion also applies to the pooled income funds established by the Gift Trust prior to the Legacy Income Trusts, which are also no longer accepting new contributions.

Prior to March 1, 2021, Eaton Vance, the Trustee and the Placement Agent were wholly owned subsidiaries of Eaton Vance Corp. (EVC). On March 1, 2021, Morgan Stanley acquired EVC and, as a result, Eaton Vance, the Trustee and the Placement Agent became indirect, wholly owned subsidiaries of Morgan Stanley. Morgan Stanley is a global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services.

Click [here](#) for important information about state notifications.

Publication details: Friday, June 24, 2022 3:33 PM

Page ID: 30825 - <https://www.uscharitablegifttrust.org/tax-treatment-of-charitable-contributions.php>