

U.S. 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 who itemize their deductions, 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.

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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	0.00%
Arizona	YES	YES	4.50%
Arkansas	YES	YES	6.60%
California	YES	YES	13.30%*
Colorado	YES	YES	4.63%
Connecticut	YES	NO	0.00%
Delaware	YES	YES	6.60%
District of Columbia	YES	YES	8.95%*
Florida	NO	N/A	0.00%
Georgia	YES	YES	5.75%
Hawaii	YES	YES	11.00%*
Idaho	YES	YES	6.93%
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	3.78%
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%

Residence	State/Local Individual Income Tax?	State/Local Charitable Tax Benefit	Maximum State/Local Charitable Tax Benefit
Missouri	YES	YES	5.40%
Montana	YES	YES	6.90%
Nebraska	YES	YES	6.84%
Nevada	NO	N/A	0.00%
New Hampshire	YES	NO	0.00%
New Jersey	YES	NO	0.00%
New Mexico	YES	YES	4.90%
New York	YES	YES	6.41%*
New York City	YES	YES	10.29%*
Yonkers	YES	YES	7.48%*
North Carolina	YES	YES	5.25%
North Dakota	YES	YES	2.90%
Ohio	YES	NO	0.00%
Oklahoma	YES	YES	5.00%
Oregon	YES	YES	9.90%
Pennsylvania	YES	NO	0.00%
Rhode Island	YES	NO	0.00%
South Carolina	YES	YES	7.00%
South Dakota	NO	N/A	0.00%
Tennessee	YES	NO	0.00%
Texas	NO	N/A	0.00%
Utah	YES	YES	6.00%*
Vermont	YES	YES	5.00%*
Virginia	YES	YES	5.75%*
Washington	NO	N/A	0.00%
West Virginia	YES	NO	0.00%
Wisconsin	YES	YES	5.00%*
Wyoming	NO	N/A	0.00%

* 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 2020. 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 2019, \$200,534 for single filers, \$401,072 for married filing jointly (MFJ) and \$300,805 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.
District of Columbia	Otherwise allowable IDs are reduced by 5.0% of the taxpayer's DC AGI in excess of a threshold amount (in 2019, \$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 2019, \$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 \$30,050 (in 2020; adjusted annually for inflation) and phase out proportionately as the taxpayer's ME AGI increases from a lower threshold (in 2020, \$82,900 for single, \$165,800 for MFJ and \$124,350 for HH) to an upper threshold (in 2020, \$157,900 for single, \$315,800 for MFJ and \$236,850 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 2020, \$197,850 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 2019, \$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 2019, \$273,150 for single, \$327,750 for MFJ and \$300,450 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 1.3% of the taxpayer's Utah taxable income in excess of a threshold amount (in 2019, \$14,601 for single, \$29,202 for MFJ and \$21,902 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 2019, \$271,700 for single, \$326,050 for MFJ and \$298,850 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 2020, rounded to the nearest hundredth of a percent. For the 28 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, IA and LA 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. 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.***

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