

**VIRGINIA DEPARTMENT OF SOCIAL SERVICES (VDSS)**  
**NEIGHBORHOOD ASSISTANCE PROGRAM (NAP)**  
**INDIVIDUAL DONOR FACT SHEET**  
**July 1, 2018 – June 30, 2019**

***Individual Donations:***

Neighborhood Assistance Program (NAP) State tax credits may be available to an individual making a donation of **cash** or **marketable securities** directly to a NAP organization. To qualify, individuals must donate at least \$500. For income tax purposes, the minimum \$500 donation requirement must be met between July 1 and December 31 or between January 1 and June 30 to qualify for a NAP tax credits.

The maximum donation value allowable for NAP tax credits is \$125,000 per individual, per taxable year.

The value of marketable securities is the fair market value (the number of shares times the average of the high and low prices, or the mean price per share) on the date of transfer to the NAP organization.

The Code of Virginia establishes a maximum tax credit of 65 percent of the value of the qualified donation. The donor must complete a Tax Credit Percentage Agreement form if accepting a tax credit for less than 65 percent of the value of the donation.

***General Provisions for Individual Donations:***

- Please consult the NAP organization to determine the availability of NAP tax credits. NAP tax credits are limited, and availability is based on the allocation of credits to NAP organization.
- Donations must be made directly to the NAP organization with no restrictions. A third party donation, such as a designation through another non-profit organization (i.e.: United Way, Just Give, etc.) is not eligible for NAP tax credits.
- Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation, or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.

***Completing NAP Contribution Notification Form (CNF):***

A NAP Contribution Notification Form (CNF-E) must be completed for all qualifying individual NAP donations. CNF-E form must be completed as follows:

- Donor must complete Part I and II of the CNF-E.
- Donor must complete the Tax Credit Percentage Agreement form if accepting a tax credit for less than 65 percent of the value of the donation.
- Donor returns the CNF-E and the Tax Credit Percentage Agreement form, if required to the NAP organization.
- The NAP organization will then complete Part III and mail the original CNF-E and supporting documentation to the Virginia Department of Social Services (VDSS) for processing.
- A tax credit certificate will be mailed directly to the donor within six to eight weeks from the date VDSS receives the CNF-E and supporting documentation. Donor information is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act.

**VIRGINIA DEPARTMENT OF SOCIAL SERVICES (VDSS)**  
**NEIGHBORHOOD ASSISTANCE PROGRAM (NAP)**  
**TRUST DONOR FACT SHEET**  
**July 1, 2018 – June 30, 2019**

A trust or fiduciary for a trust subject to tax imposed by Article 6 (§ 58.1-360 et seq.) of Chapter 3 of the Code of Virginia may qualify for a tax credit.

***Trust Donations:***

Tax credits may be available to a trust making a donation directly to a NAP organization. Donations must be in the form of cash, stock, merchandise, real estate or rent/lease of the organization's facility.

The value of stock is the fair market value (the number of shares times the average of the high and low prices, or the mean price per share) on the date of transfer to the NAP organization.

Donations made from a trust must be at least \$616. For income tax purposes, the minimum \$616 donation requirement must be met between July 1 and December 31 or between January 1 and June 30 to qualify for a NAP tax credits.

The Code of Virginia establishes a maximum tax credit of 65 percent of the value of the qualified donation. The donor must complete a Tax Credit Percentage Agreement form if accepting a tax credit for less than 65 percent of the value of the donation.

***General Provisions for Trust Donations:***

- Please consult the NAP organization to determine the availability of NAP tax credits. NAP tax credits are limited, and availability is based on the allocation of credits to a NAP organization.
- Donations must be made directly to the NAP organization with no restrictions. A third party donation, such as a designation through another non-profit organization (i.e.: United Way, Just Give, etc.) is not eligible for NAP tax credits.
- Determining the effect of making a donation for tax credits on a donor's tax liability is the sole responsibility of the donor. Before making a donation, or when tax-related questions occur, donors are encouraged to seek advice from their tax accountant or other tax advisor.

***Completing NAP Contribution Notification Form (CNF):***

A NAP Contribution Notification Form (CNF-E) must be completed for all qualifying trust NAP donations. CNF-E form must be completed as follows:

- Donor must complete Part I and II of the CNF-E.
- Donor must complete the Tax Credit Percentage Agreement form if accepting a tax credit for less than 65 percent of the value of the donation.
- Donor returns the CNF-E and the Tax Credit Percentage Agreement form, if required to the NAP organization.
- The NAP organization will then complete Part III and mail the original CNF-E and supporting documentation to the Virginia Department of Social Services (VDSS) for processing.
- A tax credit certificate will be mailed directly to the donor within six to eight weeks from the date VDSS receives the CNF-E and supporting documentation. Donor information is shared with the Virginia Department of Taxation and the Department of Education to track tax credits issued under the Neighborhood Assistance Tax Act.