Endow Maryland Income Credit [Source: Comptroller of Maryland Website]

For more information contact:
Department of Housing and Community Development
Division of Neighborhood Revitalization
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A taxpayer who makes a donation to a qualified permanent endowment fund at an eligible community foundation may be eligible for a credit against the Maryland State income tax. The taxpayer must apply to the Maryland Department of Housing and Community Development (DHCD) for a certification for the donation. This certification must be attached to the Form 502CR at the time the Maryland income tax return is filed.

Individuals who are eligible to claim the Endow Maryland income tax credit, and who are not PTE members may elect to claim this credit on Part I of Form 502CR, instead of claiming the credit on Form 500CRW. However, an individual may not claim this credit on both Form 500CRW and Form 502CR. PTE members who are eligible for this credit must claim the credit on Business Income Tax Credit Form 500CRW.

Individuals who anticipate having a carryover of the Endow Maryland income tax credit are advised to use Form 500CRW, instead of Form 502CR.

The credit is limited to 25% of the approved donation (in cash or publicly traded securities) not to exceed $50,000.

NOTE: A copy of the required approval from the DHCD must be included with Form 502CR.

This credit is not refundable and is applied only against the Maryland State income tax. To the extent the credit is earned in any year and it exceeds the State income tax, you are entitled to an excess carryover of the credit until it is used, or it expires five years after the credit was earned, whichever comes first.

NOTE: The amount of donation shown on line 2 of Part I on Form 502CR requires an addition to income. See Instruction 12 in the Maryland Resident Instruction Booklet.

Please review your options with your tax advisor.