



GEORGIA **HEART**SM
HOSPITAL PROGRAM

Helping Enhance Access to Rural Treatment

Employee Giving Guide

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Georgia HEART is helping rural hospitals implement the exciting new rural hospital tax credit to increase their funding and their ability to provide for the health care of thousands of Georgians!

What is the rural hospital organization expense tax credit?

The Georgia General Assembly passed legislation that enables Georgia taxpayers receive a state income tax CREDIT for 90% of the amount they contribute to qualified rural hospital organizations (up to the limits set forth below). Taxpayers who itemize deductions on their federal income tax returns will be able to take a charitable income tax deduction for the entire amount of their contributions

How much can I contribute for a tax credit?

If you pay Georgia income taxes, you are eligible to receive a tax credit for contributing to your designated rural hospital organization as follows:

- Individual Filer – 90% of the amount contributed or \$5,000 per tax year, whichever is less
- Married Filing Jointly – 90% of the amount contributed or \$10,000, whichever is less
- C-Corporation or Trust – 90% of the amount contributed or 75% of your Georgia income tax liability, whichever is less (Note: if you are seeking the maximum available tax credit, the amount you contribute will be need to be more than the maximum limits of \$5,000, etc.)

How do I sign up to contribute to my qualified rural hospital?

1. Complete and submit your 2018 HEART Tax Credit Form in the Donate Section at www.georgiaheart.org, or mail a completed copy of the form to Georgia HEART at 3740 Davinci Court, Suite 375, Peachtree Corners, Georgia 30092.
2. On the first business day of 2018, Georgia HEART will submit your tax credit pre-approval form on your behalf to the Georgia Department of Revenue (DOR).
3. Within 60 days of receiving DOR tax credit pre-approval, send a check *made payable to your designated rural hospital* to Georgia HEART for deposit to the hospital's account.
4. Georgia HEART will send you confirmation of your contribution and instruct you on how to submit a copy to the DOR.
5. Georgia HEART will send you a tax receipt and filing instructions for 2018 tax filing purposes.

For information about the rural hospital organization expense tax credit, please visit the Georgia HEART web-site at www.georgiaheart.org or contact Georgia HEART staff at heart@georgiaheart.org.

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Georgia Rural Hospital Organization Expense Tax Credit Georgia HEART Employee Giving Campaign:

Up to certain limits (\$5,000 for individuals and \$10,000 for married couples filing jointly), the Georgia rural hospital expense tax credit program enables taxpayers to receive a Georgia income tax credit for 90% of the amounts they contribute to qualified rural hospitals. The contributions must be made by the taxpayers within 60 days of the Department of Revenue (DOR) approving them for a tax credit. In some cases, taxpayers who the DOR approves for the maximum tax credit may not have the cash available to contribute for the maximum credit. In these cases, businesses that want to encourage their employees to contribute to qualified rural hospitals can institute a Georgia HEART Employee Giving Campaign that enables their employees to seek pre-approval for, and make, their contributions on an installment basis during the applicable year. This Memorandum describes the two ways this may be accomplished:

1) Employee Withholding Method.

The employee directs the employer to reduce his or her Georgia income tax withholdings and to credit the reduced withholdings to the employee's sub-account within an escrow account the employer maintains for all employees who are participating in the Georgia HEART Employee Giving Campaign. As each quarter (or other period) approaches, and the accumulated funds are reaching the desired amount as authorized by the employee, Georgia HEART will submit a tax credit pre-approval form on employee's behalf to the DOR. Once the DOR approves the contribution, the employer writes a check to the employee for the amount in their escrow account, and the employee writes a check to his or her designated Georgia HEART hospital for the amount of their preapproved contribution, which will be slightly more than the amount of the escrow account distribution.

2) Employer Advance Method.

All participating employees authorize Georgia HEART to submit a tax credit pre-approval form on their behalf to the DOR. Once the DOR approves an employee contribution, the employer advances funds to the employee for the amount of his or her preapproved tax credit (90% of the amount the employee will contribute). The employee then contributes his or her full pre-approved contribution amount within the required 60-day period. Prior to having the employer advance them their contributions, the employees direct the employers to reduce their Georgia income tax withholdings and to use the reduced income tax withholdings to reimburse the employer each pay period until the employer has recouped the entire amount of the advance.

In both situations, Georgia HEART will handle the DOR pre-approval process on behalf of the employees.

The Georgia rural hospital organization expense tax credit provides Georgia taxpayers with the opportunity to receive a Georgia income tax credit (and, for taxpayers who itemize, a federal charitable income tax deduction) for contributions they make to qualified rural hospital organizations. The taxpayers receive a credit for 90% of their contribution, up to a maximum credit of \$5,000 for individuals and \$10,000 for married couples filing a joint return. Thus, to obtain the maximum credit, individuals should contribute \$5,556 to a rural hospital and married couples filing a joint return should contribute \$11,111.

This is a very compelling way for taxpayers to provide much-needed financial support for Georgia’s rural hospitals and their local communities. Georgia HEART is assisting rural hospitals throughout Georgia in marketing the tax credit program to potential donors and in processing tax credit contributions, which the Georgia Department of Revenue must pre-approve, as there is a \$60 million annual limit on the available tax credits. To facilitate the contribution process, Georgia HEART is offering businesses the opportunity to implement Georgia HEART Employee Giving Campaigns to enable their employees to contribute to their designated Georgia HEART hospitals on an installment basis through payroll deduction programs.

This Agreement by and between

_____ [“Company”] and

_____, (“Employee”), is entered into to assist Employee in making a charitable contribution to a rural hospital in exchange for a tax credit for 90% of that contribution amount, which will offset some or all of Employee’s Georgia income tax liability.

Employee and Company agree to the following (*Initial all that apply*):

Employee	Company	Event
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_____	_____	Employee authorizes Company to reduce Employee’s 2018 Georgia income tax withholdings (as determined by Employee) for the purpose of facilitating Employee’s tax credit-eligible contribution to a participating Georgia HEART rural hospital. Employee will submit a revised Form G-4 to Company to reflect the requested reduction.
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_____	_____	Company shall deposit the income tax withholdings that would have otherwise been made during those pay periods into an escrow account (the “Escrow Account”) to be held for Employee’s use in contributing to a hospital.
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Employee Company

Event

During each calendar quarter, Employee provides to Georgia HEART a tax credit pre-approval form, which Georgia HEART will submit to the Georgia Department of Revenue (“DOR”) in the amount of the Employee’s expected contribution.

By the end of the calendar quarter, after the DOR approves the Employee’s request for a tax credit, Company shall deliver a check to Employee from the Escrow Account in the amount of the available balance. Employee is responsible for making a contribution to an eligible rural hospital to match the pre-approved tax credit amount and/or filing estimated taxes with DOR to avoid penalties.

Upon receipt of each quarterly check from Company from the Escrow Account and within 60 days of being approved by the DOR, Employee shall send to Georgia HEART a check made payable to a rural hospital designated by Employee for the pre-approved contribution amount.

If the annual cap on rural hospital expense tax credits is at risk of being depleted, Employee may authorize Company to increase his or her Georgia income tax with-holdings to ensure the adequate withholding of state income taxes in combination with the expected tax credit for past 2018 contributions.

If, upon termination of employment with Company, Employee has an account balance in the Escrow Account, Company shall deliver to Employee a check in the amount of the balance.

signing below, the parties confirm their understanding of, and agreement to, the terms of this Agreement.

Employee: _____

Date: _____

_____ [COMPANY]

By: _____

Date: _____

Complete this Form to authorize Georgia HEART to submit your application to the Georgia Department of Revenue ("DOR") Send to Georgia HEART by emailing to: heart@georgiaheart.org or faxing to: 1-877-478-4625

Select Tax Filing Status	Tax Credit Limit
<input type="checkbox"/> Individual Filer	90% of the amount contributed or \$5,000 per tax year, whichever is less
<input type="checkbox"/> Married Filing Jointly	90% of the amount contributed or \$10,000 per tax year, whichever is less
<input type="checkbox"/> C Corporation or Trust	90% of the amount contributed or 75% of your Georgia income tax liability, whichever is less

Please complete the following fields:

Taxpayer's Name: _____ SSN: _____

Spouse's Name: _____ SSN: _____

Address: _____ Phone: _____

City: _____ State: _____ Zip: _____ E-mail: _____

Contribution Amount: _____ 75% of estimated GA income tax liability: _____
(for C Corps & Trusts only)

***Note: Only 90% of your contribution amount qualifies for a tax credit. To obtain the maximum credit, you must donate more than the maximum tax credit amount. For example, to be eligible for the maximum \$10,000 tax credit, a married couple filing jointly would need to contribute \$11,111 (\$10,000 divided by .9). Please consult your tax advisor.**

Designated Rural Hospital Organization: _____

OR

Please designate a rural hospital organization for me / us. (We will inform you about our selection).

Authorization:

I authorize Georgia HEART to submit my 2018 HEART Form to the GA DOR; I commit to making payment in 2018; and I commit to funding my full approved contribution amount within 60 days of DOR approval.

With taxpayer authorization, Georgia HEART will submit this application to DOR for pre-approval. DOR has 30 days to provide approval to the taxpayer. Once DOR approval has been received, the taxpayer will have 60 days to submit payment made payable to their designated Rural Hospital Organization and sent to Georgia HEART for deposit into the hospital's account.

Thank you for submitting your 2018 HEART Tax Credit form!

Rural Hospital Tax Credit Eligible Hospitals

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*GeorgiaHeart Hospitals



