

Other Tax-Credit Programs

Neighborhood Assistance Program (NAP)

For over 25 years, Habitat for Humanity of Evansville has benefited from Neighborhood Assistance Program (NAP) tax credits. In recent years, the application process for NAP tax credits has become less competitive, resulting in more non-profits in Indiana receiving awards, though the size of individual awards has decreased. Despite this, Habitat for Humanity of Evansville typically receives nearly the maximum tax credit award of \$15,000 (for \$30,000 in contributions). NAP funding announcements are usually made in late June.

Eligibility requirements for NAP tax credits are similar to those for AHTC. Like AHTC, NAP tax credits allow donors to deduct 50% of their contribution from their state income tax liability.

Individual Development Account (IDA)

An Individual Development Account (IDA) is a special savings account matched by federal and state dollars, designed to help low-income individuals and families save money for education or training, purchasing or rehabbing a home, buying a vehicle, or starting a small business.

Many of Habitat's future homeowners are eligible to set up their own IDA accounts. They contribute savings to this account (up to \$1,200), which are matched 3:1. For example, if a family saves \$1,000, it will be matched to become \$4,000, covering their down payment and contributing towards their mortgage principal.

In conjunction with the conventional IDA Program, Indiana Housing and Community Development also offers the IDA Tax Credit Program. This program allows Habitat for Humanity of Evansville to finance additional IDA accounts beyond those covered by federal and state dollars.

Since the maximum contribution eligible for AHTC is \$20,000 (\$10,000 tax credit), donors may want to use NAP or IDA tax credits as a way to augment their support, while still receiving a tax credit.

For more information regarding NAP, IDA and AHTC tax credits, contact Sr. Jane Michele McClure at (812) 423-5623, ext. 226 (office); (812) 430-2159 (mobile), or jmccclure@evansvillehabitat.org.