



## A COMMUNITY PARTNER & LEADER

The Community Foundation of Northeast Iowa is where generosity and community action meet to create powerful impacts improving the quality of life for people across a 20-county region. We connect inspired people to causes they care about most, make grants to strengthen effective nonprofits, and provide leadership on key community issues to make Iowa communities better places.

**AWARDED OVER**  
**\$115 MILLION**  
 IN GRANTS SINCE 1956

**MANAGES OVER**  
**\$149 MILLION**  
 IN CHARITABLE ASSETS

**ADMINISTERS OVER**  
**900**  
 INDIVIDUAL FUNDS



Meeting the nation's highest standard in philanthropy.

*here for good.*  
**SINCE 1956**

## LEVERAGING LOCAL LEADERSHIP TO STRENGTHEN RURAL DEVELOPMENT

More Than  
**350**  
 Volunteers  
 Making local grant decisions to strengthen where they live

2022 GRANT IMPACT  
 More Than  
**\$7.49 Million**  
 Total Grants & Scholarships Awarded

## STRENGTHENING GENEROSITY FOR IOWA COMMUNITIES

Iowa is home to one of the strongest philanthropic networks in the nation, thanks to generous Iowans and two highly successful state-legislated programs. **HOUSE FILE 710** will sustain and maximize these programs moving forward.

**WHAT IS A COMMUNITY FOUNDATION:**  
 Community foundations harness giving for local needs by bringing together the financial resources of individuals, families, and businesses to support local nonprofits and charitable causes. Community foundations serve a specific geographic region and are led by local leaders who serve on their boards or advisory committees. In Iowa, we have more than 130 that collectively serve all 99 counties.

distributed to community foundations in the 84 counties that do not hold a state-issued gaming license. The community foundations then annually grant 75% of those funds to nonprofits and charitable projects within their counties and place the remaining 25% of funds in a permanent endowment fund, which is intended to attract other donations and provide a source of permanent funding for charitable projects within the county – forever.

**QUALIFIED SPONSORING ORGANIZATIONS (QSOs):**  
 Each of the 19 commercial casinos located in 15 Iowa counties is required to share its license with a Qualified Sponsoring Organization (QSO). Led by local boards of directors, QSOs receive a contractual percentage portion from their respective casinos' gaming revenue to annually reinvest in numerous charitable projects.

Sixteen QSOs distribute state-mandated charitable gaming contributions in dozens of counties annually. State studies indicate that competition from neighboring states could reduce gaming revenue by as much as 35% in some counties, with associated impact on local philanthropic support. Together, community foundations and QSOs ensure that charitable investments are made annually in each county throughout Iowa.

**OUR GRANTMAKING**  
 Through the County Endowment Fund Program (CEFP), 0.8% of the state's commercial gaming tax revenue is

**We need your help to ensure both programs can continue to support Iowans today and in the future.**

## OUR GOALS

### ENDOW IOWA:

- Make tax credits readily available for all Iowans.
- Avoid closing the program down when waitlist process ends.
- Right-size the program by making \$7M in credits available annually.
- Make Endow Iowa tax credits available to more Iowans.

### COUNTY ENDOWMENT FUND PROGRAM + QSO GRANTMAKING:

- Increase the amount of annual grantmaking available in each of Iowa's 99 counties.
- Distribute funds through community foundations and QSOs that have well established processes.
- Utilize local leaders as decision makers.

## OUR ASK FOR 2023

HF 710 has unanimously passed out of the House Ways & Means Committee (24-0) and the House Appropriations Committee (24-0). **SUPPORT HF 710 TO:**

- 1 | Appropriate a one-time amount of \$7M to the Endow Iowa tax credit program as outlined in Iowa Code Section 15E.305 to significantly reduce the waitlist within IEDA
- 2 | Continue to appropriate \$1.75M to the Gambling Treatment Program
- 3 | Appropriate \$1M to Endow Iowa (15E.305), increasing the credit from \$6M to \$7M annually
- 4 | Divide the remaining amount of sports gambling taxes paid between the 99 counties evenly through:
  - the County Endowment Fund Program created in section 15E.311 (84 non-gaming counties)
  - the QSOs (15 gaming counties) for annual grantmaking purposes
- 5 | Provide a fix for an issue that was caused when last year's tax bill passed affecting Endow Iowa donors on the waitlist that gave above the new aggregate cap allocation

## ENDOW IOWA

Complementary to this grantmaking, Endow Iowa tax credits help community foundations build local endowment funds to meet current and future community needs. Endow Iowa tax credits:

### OFFER A 25% STATE INCOME TAX CREDIT

to donors who make gifts to an endowed fund at a qualified community foundation\* in Iowa;

### ARE AWARDED ON A

first-come, first-served basis;

### OFFER A MAXIMUM ANNUAL CREDIT OF

\$100,000 per taxpayer & \$200,000 per couple (beginning 1/1/23);

### CAN BE CLAIMED BY

individuals, businesses, or financial institutions;

### AND ARE NOT

transferable or refundable.

\*Qualified community foundations are confirmed in compliance with the National Standards for U.S. Community Foundations.

### Demand has outpaced available credits for several years, resulting in a long waitlist.



ALL 2022 CREDITS  
AWARDED

SEPTEMBER 13, 2021



ALL 2023 CREDITS  
ALLOCATED

MARCH 30, 2022



ALL NEW GIFTS  
WAITLISTED THROUGH

JUNE 30, 2023

However, the waitlist process will be discontinued on July 1, 2023.

The Iowa Economic Development Authority has communicated that they do not have the authority to oversee and administer tax credit waitlists. They plan to discontinue the waitlist process which will cause the program to shut down. The Legislature has the authority to address this challenge and keep the program working for Iowans.