

SafeHouse Denver HCTC/E-Zone Transition Notice and Information

Background:

For years, many supporters of SafeHouse Denver have enjoyed an additional deduction on their State taxes due to SafeHouse Denver's participation as an "Enterprise Zone" designated organization. Commonly referred to as E-Zone, this designation is given to businesses and nonprofits that create employment or assist people experiencing homelessness. The E-Zone tax credit is of great benefit to many donors, essentially reducing the after-tax cost of making a donation to support survivors of domestic violence.

New Changes:

In 2022, the Colorado state legislature passed [HB22-1083](#), known as the "Homeless Contribution Tax Credit" or HCTC. **This new tax credit will replace SafeHouse Denver's participation in the E-Zone program.** SafeHouse Denver recognizes that this will be a shift for many donors, and we are committed to being transparent about the process and making the transition as easy as possible. Below, you will find extended details and FAQ's, but we also encourage you to reach out if you have specific questions that are not addressed here. As always, please consult your tax advisor regarding your unique situation.

If You Currently Utilize E-Zone Credits and we HAVE your Tax ID info on File:

- For all donations made during the 2022 calendar year, you will receive a DR-0075 form the same as you have in previous years.
- Because the HCTC is based on new legislation, we are not sure what the process will look like yet after January 1, 2023, but we will do our best to communicate information as we find out and make the transition as seamless as possible for any donations made during 2023 and beyond.

If You Would Like to Request an E-Zone Credit for a 2022 Donation and we DO NOT have your Tax ID on File:

- To request an E-Zone Credit for a 2022 donation, please submit *either* the last four digits of your social security number or your Colorado Tax ID to our Development Associate (via email at DevAssociate@safehouse-denver.org or by phone at 303-302-6122) **as soon as possible, but no later than April 15, 2023.**
- SafeHouse Denver cannot guarantee that we will be able to honor requests for 2022 donations made after the April 15, 2023 deadline.

If you aren't sure if we have your Tax ID on file, please feel free to call Stacey at 303-302-6122.

Once we have more information on the HCTC process and what the forms will entail, we will reach out to all qualifying 2023 donors.

Frequently Asked Questions

Please note that we are sharing all the information we have, as we have it. We will do our best to update the community as frequently as possible, and we appreciate your patience as we navigate this new space together!

Will the amount of the tax credit change?

Nope! The HCTC is still a 25% state tax credit for all donations over \$100 made by Colorado residents.

Will I need to submit my Tax ID (either last four digits of social security number or Colorado Tax ID) to SafeHouse Denver again?

No. SafeHouse Denver keeps secure records for all donors who have previously received the E-Zone Credit, and therefore you will not have to submit your Tax ID to us again. However, at this time, we are unsure of what will be required to submit for the HCTC, so we cannot say for certainty that we won't need additional information from you.

Will I still receive a DR-0075 to file with my taxes?

For 2022 donations, yes. For donations made during 2023, you will receive a form, but we are not sure yet if it is the same form or something different.

Did/Does SafeHouse Denver have the option to keep the E-Zone Credit?

No. All nonprofits who previously participated in the E-Zone Tax Credit program under the homelessness initiative are automatically transferred to the Homeless Contribution Tax Credit (HCTC) program. The E-Zone tax credit for nonprofit donations will cease to exist after January 1, 2023.

Why does SafeHouse Denver qualify under a *homelessness* tax credit?

SafeHouse Denver has always qualified for the E-Zone tax credit because a large majority of the survivors that we serve are either actively experiencing homelessness or are at risk of experiencing homelessness. The HCTC is automatically offered to nonprofit organizations that previously qualified for the E-Zone as an organization that supported people experiencing homelessness. At SafeHouse Denver, we know that more than 50% of women who experience homelessness state domestic violence as the direct cause. We also recognize that traditional shelter spaces do not offer the same security protocols that we do, and may even house a person's abuser at the same time. As such, domestic violence shelters, such as SafeHouse Denver play a vital role in supporting survivors who experience homelessness.

Are there other benefits to changing from the E-Zone to the HCTC?

The hope of the Legislature is that donors feel very little affect from this change, and that more citizens engage with organizations like SafeHouse Denver who support individuals experiencing homelessness. One exciting change is that the administrative fees that were previously assessed on all E-Zone credits issued, will no longer be charged! This is a significant cost-savings for SafeHouse Denver – meaning more funds can be directed to supporting survivors!

Where can I find more information?

For those that are curious to learn more, you are welcome to view the [HCTC's FAQ document at this link](#). The document is regularly updated, but please note that the intended audience is nonprofit administrators, so some of the information may not be relevant to donors. If you have questions not answered here, you can reach out to either:

- Stacey Simmons, Development Associate: DevAssociate@safehouse-denver.org or 303-302-6122
- Shannon Boltz, Chief Development Officer: sboltz@safehouse-denver.org or 303-302-6116