

S-Corporations



Are you the owner or operator of an S-Corp?

Any legal business entity including limited and general partnerships, corporations, S-corps, and single or multimember LLCs are eligible to participate in this program **and receive up to \$100,000 in Oklahoma state tax credits.**

Redirect tax dollars and change kids' lives!

This program offers unmatched benefits to magnify your gifts impact. In particular, if your business operates as a pass-through entity, the tax credit on your gift can also pass to your personal liability. For example, let's look at the scenario outlined below.



To help demonstrate how a business entity may utilize this tax credit program, we have presented a hypothetical scenario where **Company A** files Oklahoma taxes as an **S-Corporation**. Their K-1 pass-through income filed is \$1,500,000.

Their projected tax liability after the OK tax rate for 2022 of 4.75% is applied would be equal to \$71,250 for state taxes and \$555,000 for federal taxes (2022 federal max rate of 37%).

If **Company A** pledges \$100,000 each year, for two consecutive years (\$200,000 total), they would receive a 75% tax credit back each year equal to \$75,000. The additional \$25,000 donation is available as a pass-through charitable deduction on the S-Corp shareholders' tax returns.

Therefore, the below chart shows how **Company A** can make a **\$100,000 impact** toward scholarships for students to attend Catholic school while wiping out their state tax liability and passing the remaining credit through to any personal tax liability they may have.

	State Tax	Federal Tax
Tax liability – projected	\$71,250	\$555,000
Oklahoma tax credit	-\$75,000	\$0
Federal tax charitable deduction (37%)	\$0	-\$9,250
Oklahoma tax charitable deduction (4.75%)	-\$1,188	\$0
Remaining tax liability	\$0	\$545,750
Remaining Tax Credit	\$4,938	\$0
<i>(which can flowthrough or carry over for 3-years)</i>		