



Form IDA-10
SF 48770 (R2/8-05)

Indiana Department of Revenue
Individual Development Account Tax Credit Application

File with the: Indiana Housing Finance Authority
30 South Meridian, Suite 1000
Indianapolis, IN 46204

Contributor Information		To be completed jointly by the taxpayer and the Community Development Corporation (CDC)	
Name of contributor:		Social security or federal identification number:	
Address		Telephone number:	
City	State	Zip Code	Contributor's tax year ending:
Type of income tax return to be filed by contributor. <i>Check One:</i>			
☐ Individual Form IT-40	☐ Fiduciary Form IT-41	☐ Partnership Form IT-65	☐ Nonprofit Form IT-20NP
☐ Corporation Form IT-20	☐ S Corporation Form IT-20S	☐ Financial Institution Form FIT-20	
Individual Developmental Account Tax Credit Verification		Applicant must sign below and provide proof of payment	
Recipient Organization (CDC):		Community Development Corporation's TID #	
Address		City	State Zip Code
1. Amount of contribution (minimum \$100)	\$	Date paid:	
2. Multiply line 1 by 50% (x .50)	\$	Program number:	
3. Tentative amount of credit, lesser of line 2 or \$25,000	\$	Date filed: Departmental Use Only	
Signature of contributor ➤		Date approved by Department of Revenue:	
Certification of Contribution For donation to Individual Development Account Fund established under I.C. 4-4-28-13			
<i>I certify that the applicant contributed, within thirty (30) days from the date of acceptance, the amount on line 1 to the CDC Individual Development Account Fund and that the information stated here is true, correct and complete.</i>			
Signature of Not-For-Profit CDC Officer		Title	Date

Do not separate

Leave form intact



Form IDA-20
(R2/8-05)

Indiana Department of Revenue
Individual Development Account Tax Credit Certificate
(Code #823)

For Tax Year
Ending _____

Departmental Use Only

Attach approved IDA-20 to the contributor's tax return where the credit is claimed.

Members of a pass-through entity must attach a copy of Schedule IN K-1 to their income tax returns when claiming their pro-rata share of the approved IDA-20 credit.

Social Security or Federal Identification Number:

Your request has been: ☐ Approved ☐ Disapproved

Amount of available credit:

Program Number:

Signature of Departmental Officer

Date

Enter mailing address of contributor:

Name

Address

City State Zip Code

Instructions for Filing Form IDA-10/20

Individual Development Account Tax Credit Application (code number 823)

Form IDA-10/20 must be filed by a taxpayer (including any S corporation, partnership, limited liability company or individual) who makes a contribution and wishes to claim credit for the contribution to a Community Development Corporation (CDC) participating in an Individual Development Account (IDA) program. The credit can be applied against a taxpayer's Indiana adjusted gross income tax liability, or the financial institution tax. 50% of the amount contributed is eligible for the tax offset credit. Form IDA-10/20 is distributed by the Indiana Housing Finance Authority.

The IDA program enables the nonprofit CDC to finance additional individual development accounts. The program is designed to assist qualifying low-income residents to accumulate savings and build personal finance skills. Account-holders may use their savings to pay for higher education or vocational school; to learn a trade by attending an accredited or licensed training program; to start or buy a business and/or to buy a home.

The tax credit provided under Indiana Code 6-3.1-18 may be applied against the specified taxes owed for taxable years beginning after December 31, 1997. Applications are filed through the CDC. The organization must have an approved program number from the Indiana Department of Commerce before a contribution qualifies for pre-approval. The State of Indiana is limited to granting a total of \$200,000 in Individual Development Account Tax Credits each fiscal year.

Completing Form IDA-10/20

Complete the identification sections at the top and bottom of the form using the legal name of the contributor and the same tax identification number used for federal purposes. Check the type of tax return to be filed by the contributor (be sure to indicate the current tax year ending date).

Credit Computation and Verification

Line 1: Enter the amount of contribution in cash made to the Community Development Corporation having a qualified tax credit program. The computation is based on contributed amounts from \$100 up to \$50,000; and is limited to the lesser of: fifty percent (50%) of the amount contributed, the state income tax due, or twenty-five thousand dollars (\$25,000).

Line 2: Enter the amount of your contribution multiplied by 50% (.50). This is the amount eligible for IDA tax credit, subject to the maximum credit limit and your income tax liability after applying other nonrefundable credits for the tax year of the contribution.

Line 3: Enter the lesser of line 2 or \$25,000. This tentative approved credit is available to offset only the annual state income tax or franchise tax liability. There is no carry over of unused credit to other taxable years. It is the responsibility of the contributor/taxpayer to claim the approved credit for the tax year in which the donation was made.

The credit application must be signed to be considered valid. If left unsigned, the application will be returned for signature. Proof of payment (copy of check, receipt from the nonprofit community development organization, etc.) must be attached to this application.

Instructions for Recipient Organizations

The Community Development Corporation must fill in the recipient organization information sections of Form IDA-10/20. List the CDC's Indiana taxpayer identification number (TID) and program number. An officer or delegate of the CDC must verify receipt of each contribution by signing the certification section of the form.

It is the recipient organization's responsibility to file IDA-10/20 forms with the Indiana Department of Commerce. File completed IDA-10/20 forms with the quarterly report form on assigned due dates. Send to the **Indiana Housing Finance Authority, Individual Development Account Program, 30 S. Meridian, Suite 1000, Indianapolis, Indiana 46204.**

Each form filed with the Department of Commerce's approval is submitted to the Indiana Department of Revenue for a final determination. The Department will accept a properly completed contributor application and certification as proof of cash contributions.

When the tax credit application is approved, Form IDA-20 will be mailed to contributor/taxpayer. The IDA-20 must be attached to the income tax return when credit is claimed.

Instructions for Form IDA-20

Be sure the information is the same as shown on Form IDA-10. The IDA-20 should be left attached to the IDA-10 when filed by the contributor.

Upon receipt, the shaded section of the IDA-20 will be completed by the Indiana Department of Revenue. **The approved credit is available to offset only the annual state income tax liability.** County income taxes may not be reduced. For purposes of this limitation, state income tax due is first reduced by any other nonrefundable credit according to I.C. 6-3.1-1-2, such as credit for taxes paid to other states and the college contribution credit, before the IDA credit is applied. There is no provision to carry back, carry forward or refund any unused portion of the credit.

The Department will return the IDA certificate to the contributor marked with one of the following indications:

Approved -- Your credit request has been approved for the amount indicated on the IDA-20.

Attach the approved Form IDA-20 to the Indiana tax return to support the claim. If a pass-through entity made a contribution and does not have a state income tax liability, it must report the pro-rata share of the approved IDA-20 credit on information Schedule IN K-1. (Members of pass-through entities must attach a copy of Schedule IN K-1 to claim their allotted share of this credit.) Any excess credit on their return may not be refunded or carried over.

Disapproved -- Your tax credit request is not allowed. If the tax credit application is disapproved, a letter will accompany Form IDA-20 to explain the reason for denial.

For all inquiries about the Individual Development Account tax credit program call: The Indiana Housing Finance Authority at 317-232-7777 or 1-800-872-0371 outside Indianapolis.