

Overview: Neighborhood Assistance Program (NAP) - State Tax Credit Blue Ridge Area Food Bank

The Neighborhood Assistance Program (NAP) was created by the 1981 General Assembly. State tax credits are available to encourage donors to contribute directly to qualified non-profit agencies, such as the Blue Ridge Area Food Bank. The donor can also claim the charitable donation on federal taxes to the extent allowed by law.

The Food Bank applies annually and is awarded allocations based on proven operational success and on our capacity to serve impoverished people.

In 2015, House Bill 1701 granted discretion to participating charities to set the value of the tax credits awarded to each donor, if the donor agrees in writing (signature required).

Eligible Donations to the Food Bank from an Individual, Married Couple, or Trust

- Donations must be made directly to the Food Bank in the form of cash, credit card or marketable securities. QCD distributions from IRA accounts are also acceptable.
- The Food Bank accepts a minimum donation of \$1,000 made between July and December or between January and June, not to exceed a maximum of \$10,000 total within the fiscal year (July to June) and as long as credits are available. Monthly donors qualify, if the total of their monthly giving over 6 months (July to December) meets the minimum amount required.
- The value of the state tax credit is equal to 50% of the donation.
Example: minimum \$1,000 donation X .50 = \$500 state tax credit
 maximum \$10,000 donation X .50 = \$5,000 state tax credit
- A signed copy of the "Tax Credit Adjustment Agreement Form" must accompany the completed NAP application form (CNF-E) before the Food Bank can submit paperwork to the state.
- NOTE: Even in the case of married couples, *only one name and Social Security number should be used on the required paperwork. Use the primary name on your tax return if you file jointly.*

Donations that are not eligible for a NAP credit from the Food Bank include:

- Restricted donations
- Discounted or partial donations
- Gifts from Donor Advised Funds
- Gifts of food or in-kind donations
- Bargain sales
- Sponsorships

Instructions for Participation:

The donor provides the following to the Food Bank (forms are available starting July 1 on our website - brafb.org/nap) either by uploading completed forms to the secure portal on the website or by mail or email at the addresses below:

1. NAP application (form CNF-E) ***Please leave the donation date blank.**
2. Tax Credit Adjustment Agreement Form
3. Donation – *indicate on the check's memo line that your gift is for NAP credit*

Starting July 1, credits are allocated to each donor on a first-come, first-served basis according to the date the NAP application, adjustment form, and donation are received until the Food Bank has fully disbursed all available credits. Credits go quickly. We maintain a waiting list of donors once all available credits are allocated, in the rare event additional credits are awarded by the state.

The Food Bank will submit all paperwork to the state. Once reviewed and approved, the state will send the tax credit certificate to the Food Bank and we will in turn mail it to the donor. Expect the process to take at least 8 to 10 weeks from the date documentation is received at the state NAP office.

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Return forms and your gift on or after July 1 to:
Blue Ridge Area Food Bank
PO Box 937
96 Laurel Hill Rd., Verona, VA 24482

Questions? Contact:
Cara Colbert Hopson
(540) 213-8424
nap@brafb.org