

Receive a Generous Tax Credit while Building the Future for Catholic Church

“The Kingdom of heaven is like a mustard seed that a person took, and sowed in a field. It is the smallest of all the seeds, yet when full-grown it is the largest of plants. It becomes a large bush, and the birds of the sky come and dwell in its branches.” Matthew 13:31-32

If you could turn your tax dollars into a gift that will benefit the future of your parish or our diocese, would you do it?

You can make a gift to support a “forever fund” for your parish, Catholic school, organization or ministry of our diocese and receive a 40% credit against your Montana income tax. Utilizing the “**Montana Endowment Tax Credit**” helps you maximize your charitable giving and allows you to give to the Church what you would otherwise pay in Montana state taxes.

About the Montana Endowment Tax Credit

Exactly what is the Montana Endowment Tax Credit?

It is a generous and unique tax incentive for Montana taxpayers! The Montana Endowment Tax Credit gives us the option of donating to the Church what we would otherwise pay in Montana income tax.

When an individual taxpayer makes a planned gift to a permanent endowment fund of a qualifying Montana charity (such as the Catholic Foundation of Eastern Montana), the donor is rewarded with a **dollar-for-dollar** reduction of the Montana income tax he or she owes. This credit is equal to 40% of the “charitable portion” (present value) of the planned gift. This is different, *and much better*, than a tax deduction.

How long has this tax credit been available?

The Montana State Legislature originally enacted this temporary tax credit in 1997 to increase endowed philanthropy in Montana. It has worked! That is why our Legislature has repeatedly renewed this tax credit, which is **currently approved through 2026**. Any person or entity that pays Montana income tax may join the many individuals and businesses that have taken advantage of this tax credit and continue to do so each year.

Information provided in this document is not tax or legal advice. Always consult with your own professional advisors.

How can I personally qualify for this tax credit?

Individual taxpayers qualify for the 40% tax credit by creating a “planned gift” designated for a “permanent endowment fund.” A planned gift can be given to a permanent endowment fund that has been, or can be created for your parish, a local Catholic school or organization, or any ministry which supports the Catholic Church in our diocese. You can make a planned gift through a donation of cash or another asset, such as stocks, bonds or mutual funds, mineral rights, livestock, grain, real estate or even tangible personal property. [Visit www.catholicfoundationmt.org/ to see a list of the permanent endowment funds that we currently administer for the benefit of Catholics in our diocese.]

What is a “permanent endowment fund”?

An endowment is a forever fund. When you advise a charitable organization that you want to “permanently endow” your gift to it, you are simply specifying that you want a permanent restriction on your gift. For example, a regular gift placed in the offertory collection at Sunday Mass can be used by the parish for whatever is the greatest need at that moment. Your gift is received; your gift can be immediately spent. But a gift you *permanently endow* with the Catholic Foundation of Eastern Montana is *never* spent. On the contrary, it is invested with other endowed donations for the greatest needs or for specific Catholic parishes, schools, organizations or ministries. The principal in a “permanent endowment fund” is never spent, as its purpose is to create a constant, reliable income stream that will solely be used to benefit the purpose for which it was given – in perpetuity. In this way, your gift will not only help the Church today, but forever!

Again, your gift can be used to create a new endowment or it can be added to an existing endowment. Please visit <https://www.catholicfoundationmt.org/endowments/endowments-at-cfem/> to see a current list of permanent endowment funds at the Catholic Foundation of Eastern Montana that are currently helping to ensure the long-term viability and future of the Catholic Church in our diocese.

An endowment gift to the Catholic Foundation of Eastern Montana today provides a brighter future for the Catholic Church within the Diocese of Great Falls-Billings!

What do you mean by a “planned gift”?

“Planned Giving” takes into consideration your own personal needs when giving charitably to the Church, utilizing methods tailored to fit your own personal financial picture. Giving through a “planned gift” can provide you increased tax benefits and/or a guaranteed stream of income for life. A planned gift can be a smart piece of your estate planning.

How do I make a “planned gift” that provides me this generous tax credit?

Your legal and/or tax professionals should advise you of what methods of planned giving would best serve you in qualifying for this tax credit. However, the Catholic Foundation of Eastern Montana staff is also happy to help you decipher what options are best for your personal situation. We can help explain the pros and cons of each type of planned gift and provide assistance in selecting the one (or combination) that works best for you. Although the plans may sound “like Greek” to you, once explained you will learn that they can really be quite simple to enact. People across the Diocese of Great Falls-Billings are taking advantage of this credit while helping our Catholic Church thrive. You can, too!

Following are some of the “planned gift” methods that you can use to qualify for the Montana Endowment Tax Credit:

- Charitable Gift Annuity
- Deferred Charitable Gift Annuity
- Charitable Remainder Unitrust
- Charitable Remainder Annuity Trust
- Charitable Lead Unitrust
- Charitable Lead Annuity Trust
- Charitable Life-Estate
- Gift of a Paid-Up Life Insurance Policy

Can my business get the Montana Endowment Tax Credit, too?

Yes! Business entities may receive a tax credit equal to 20% of an outright contribution to a permanent endowment fund, up to a maximum of \$10,000 per year per taxpayer. For example, a \$500 donation from your business to a permanent endowment fund creates a \$100 tax credit.

[Applies to corporations, small business corporations, partnerships or limited liability company taxpayers.]

Is there a maximum amount for the Montana Endowment Tax Credit allowed per year?

Yes. The maximum tax credit that may be claimed by a taxpayer is \$10,000 per year. Couples filing jointly are limited to \$20,000 tax credit per year. The credit taken cannot exceed the taxpayer’s Montana income tax liability.

Next Steps:

Talk to your personal legal and/or tax advisors. But if you would like to learn more before doing so, contact Judy Held, President of the Catholic Foundation of Eastern Montana, at (406) 315-1765. She can help explain concepts and provide you with information about the endowment funds currently administered by the Foundation and how you can, perhaps, create your own

family-named permanent endowment for the benefit of the Catholic Church in a way that most closely touches your heart.

If you include the Catholic Foundation of Eastern Montana in your plans, please use our legal name and federal tax ID.

Legal Name: The Catholic Foundation of Eastern Montana

Address: PO Box 1345, Great Falls, MT 59403

Federal Tax ID Number: 81-0530034

If you are interested in reading current law governing the Montana Endowment Tax Credit, following are references to the Montana Code Annotated:

- Definition of a Planned Gift: [15-30-2327 MCA](#)
- Definition of a Qualified Endowment: [15-30-2327 MCA](#)
- Defining the Tax Credit for Planned Gifts: [15-30-2328 MCA](#)
- Defining the Tax Credit for Outright Gifts by Business Entities: [15-31-161](#) and [15-31-162 MCA](#)
- Charitable Gift Annuity Exemption Act: [33-20-701 through 705 MCA](#)
- Uniform Prudent Management of Institutional Funds Act: [72-30-101 through 103 MCA](#) and [72-30-107 through 213 MCA](#)

For more information, please contact:

Judy Held, President

The Catholic Foundation of Eastern Montana

PO Box 1345

Great Falls, MT 59403

(406) 315-1765

judy@catholicfoundationmt.org



Remember – the Catholic Church in our diocese relies almost completely on charitable funding from our Catholic faithful. *To help our faith flourish* and to build the Catholic Church, from Gardner to Plentywood, from Chester to Hardin and all points in between, it takes the loving and generous support of all of us who listen to God’s call to share with others and build His Church.