How NAP Credits work

Examples

20% Income Tax Bracket (Itemizing)
$1000.00 Contribution with NAP Credits
Reduces your Virginia State Tax by 5.7% or $57.50
NAP Credits reduce your Virginia State Tax by an additional 65% or $650.00
Reduces your Federal Tax by 20% or $200.00
So it costs you $92.50 to make a $1000.00 contribution

39.5% Income Tax Bracket (Itemizing)
$1000.00 Contribution with NAP Credits
Reduces your Virginia State Tax by 5.7% or $57.50
NAP Credits reduce your Virginia State Tax by an additional 65% or $650.00
Reduces your Federal Tax by 39.5% or $395.00
So you receive a refund of $102.50 by making a $1000.00 contribution

20% Income Tax Bracket (Itemizing)
$1000.00 Contribution without NAP Credits
Reduces your Virginia State Tax by 5.7% or $57.50
Reduces your Federal Tax by 20% or $200.00
So it costs you $742.50 to make a $1000.00 contribution

39.5% Income Tax Bracket (Itemizing)
$1000.00 Contribution without NAP Credits
Reduces your Virginia State Tax by 5.7% or $57.50
Reduces your Federal Tax by 39.5% or $395.00
So it costs you $547.50 to make a $1000.00 contribution

Individuals in the 20% Federal tax bracket will have an out of pocket cost of only $92.50 on a $1000 NAP credit contribution to TWC (vs. an out-of-pocket-cost of $742.50 on a regular contribution).

Individuals or corporations in the 39.9% Federal tax bracket will have an actual gain of $102.50 on a $1,000 NAP credit contribution to TWC (vs. an out-of-pocket cost of $547.50 on a regular contribution).