

Step-by-Step Guide to Donating Tax Credits

*This guide is for taxpayers who prefer to complete these steps themselves. Many donors have their tax professional complete these steps for them. Our team is happy to answer questions about this process. **Make your pledge today!***

Create a My Alabama Taxes Account

If this is your first time to claim an income tax credit, you will need to create a My Alabama Taxes (MAT) account through the Alabama Department of Revenue website, myalabamataxes.alabama.gov. If you have claimed credits in the past, you can skip this step and log in with the username and password you have already established.

Things you will need to set up a MAT account:

-Your Social Security Number

-Your Alabama Adjusted Gross Income (AGI) from your previous year's state tax return (or two years prior). Your federal AGI will not work.

Step 1: Go to myalabamataxes.alabama.gov

Step 2: On the ADOR homepage, click on "New User? Sign up here." below the login boxes.

Step 3: Select the account type from the drop-down list.

-Corporations, select "Business Income Tax."

-Add your employer identification number and your Alabama AGI from your previous year's tax return, then select Validate.

-Individuals, select "Individual Income Tax."

-Add your social security number and your Alabama AGI from your previous year's tax return, then select Validate.

Step 4: Create a Username, Password, and Secret Question/Answer.

Step 5: Enter your Personal Contact Information.

Step 6: Choose to allow "third party access" or not.

Step 7: A Print/Save confirmation screen will appear. Please print for your records and make a note of your Username and Password.

Step 8: An authorization code for your initial login will be emailed to you and may take up to 24 hours. Once you receive your authorization code, log on to myalabamataxes.alabama.gov and validate your account. You are now done with the My Alabama Taxes account creation process.

Receiving your Alabama State Tax Credit

To claim your tax credit, you will be using your My Alabama Taxes (MAT) account on the Alabama Department of Revenue website.

Step 1: Go to myalabamataxes.alabama.gov

Step 2: Sign in using your Username and Password.

Step 3: Once signed in, click "Report a donation to an SGO" on the right side of the screen.

Step 4: Enter your personal information and select **C² Opportunity Scholarships** from the "SGO Name" drop-down list.

Step 5: Print your confirmation screen.

Step 6: Donations must be mailed to C² within 30 days of reservation

Step 7: Mail checks to

C² Opportunity Scholarships

P.O. Box 59188
Birmingham, AL 35259

Step 8: Once your check is received, we will verify your donation with the ADOR and send you a donation receipt. The ADOR will send you a receipt for your tax credit.

"C" Corporations can offset up to 50% of the corporation's Alabama income tax liability.

Individuals can donate up to 50% of their Alabama income tax liability capped at \$50,000 in tax credits.

Pass Through Entities ("S" Corporations, partnerships, and LLCs) can donate up to 50% of their Alabama income tax liability and may be able to claim as a business expense for federal benefit as well.

Donation payments can be made quarterly to offset quarterly estimated tax payments.

Consult your tax professional regarding specific guidance and updates.

Visit us online at
CSquaredScholarships.org

Julie Emory-Johnson
Executive Director
205.206.7801