2023 Tips for Claiming the Qualified Rural Hospital Organization Expense (“QRHOE”) Tax Credit using TurboTax

Although we cannot provide official tax advice regarding the credit, for your convenience, we are providing information for claiming the credit using TurboTax.

- In the State Taxes section, once you are on the ‘Take a look at Georgia credits’ screen, select the Start button next to Individual and Business Credits

Take a look at Georgia credits

Other credits

- Georgia Credit Carryforwards [Learn More]
- Rural Physician Tax Credit [Learn More]
- Community Based Faculty Preceptor Credit [Learn More]
- Disaster Assistance [Learn More]
- Individual and Business Credits [Learn More]
- Timber Tax Credit [Learn More]

[Start]
On the ‘Georgia Business, K-1, and Other Schedule 2 Credits’ screen, you will see a table where you can enter credits received in 2022.

Click the drop-down menu under “Credit Code” and select ‘136. Qualified Rural Hospital Org Expense’

Fill in the fields next to the credit code, referencing Form IT-QRHOE-RHO1 (“RHO1 Form”) that was emailed to you from Georgia HEART.

- If you need another copy of your RHO1 Form, please email heart@georgiaheart.org.

Then select ‘Continue’

The example below shows a contributor claiming a $10,000 credit

If you made more than one QRHOE tax credit contribution in 2022, please enter the additional contribution in the next row. The software will total the amounts once you click “Continue”
On the ‘Individual/Company ID Number’ screen, Select the SSN box (will always be SSN unless filing as C-Corp or Other Business Entity) and enter the primary taxpayer’s social security number in the ID Number field.

Select ‘Continue’
• On the ‘Federal Itemized Deduction Taken As State Income Taxes for Donation Made To Qualified Rural Hospital Organization’ screen, you will select ‘No’ as contributions to state income tax credit programs are not deductible as charitable contributions.

• Your contribution may qualify as a federal deduction ONLY IF you itemized deductions on your federal income tax return and had less than $10,000 in state and local tax (SALT) deductions, whereupon you may deduct all or a portion of your HEART contribution as additional state income taxes paid up to the $10,000 SALT limit.

• If you deducted any or all of your HEART contribution as state income taxes, select “Yes” and enter the amount that you deducted in the field that populates underneath.

• If you do not itemize, or if you met the $10,000 SALT limit without including any of your HEART contribution, then you would select ‘No’ on this screen and would not add the amount back in taxable Georgia income.

• Select ‘Continue’
• On the ‘Georgia Business, K-1, and Other Schedule 2 Credit Carry Forward’ screen, enter the number “5” in the ‘Years Remaining’ field (if it does not automatically populate).

• The total amount of the RHO expense tax credit for a taxable year cannot exceed the taxpayer’s Georgia income tax liability. Any unused tax credit may be used against the taxpayer’s succeeding five years’ tax liability. This tax credit cannot be applied against prior years’ tax liability.

• Select ‘Continue’

Georgia Business, K-1, and Other Schedule 2 Credit Carry Forward

You are almost done entering your 2023 business credits. Since some of your credits will carry forward to next year, we need the allowable life for each credit. Enter the carryforward for each credit below under "Years Remaining". If your carryforward is unlimited (forever), then check the "Unlimited" box.

<table>
<thead>
<tr>
<th>Code</th>
<th>Company Name</th>
<th>2023 Credit Amount</th>
<th>Years Remaining</th>
<th>OR</th>
<th>Unlimited</th>
</tr>
</thead>
<tbody>
<tr>
<td>136</td>
<td>John Doe</td>
<td>10,000.</td>
<td>5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Continue
• You will now see your total credit amount listed on the State Taxes screen.

Take a look at Georgia credits

Business and Individual Credit [Learn More] $10,000