

# THE HEART TAX CREDIT PROGRAM HAS BEEN EXTENDED AND EXPANDED

Recent legislation extends the Rural Hospital Organization Tax Credit for an additional five years, ensuring its continuity through 2029. Additionally, it includes a substantial increase in the annual cap to \$100 million starting in 2025!

## Impact of New Legislation:

### ✓ PROGRAM EXTENSION THROUGH 2029

Program is extended for five additional years – from original sunset date of 12/31/24 to 12/31/29.

### ✓ CAP INCREASE TO \$100 MILLION ANNUALLY

Annual aggregate amount of tax credits allowed is increased from \$75 million to \$100 million.

### ✓ INCREASED CONTRIBUTION LIMITS FOR PASS-THROUGH OWNERS IN THE FIRST HALF OF THE YEAR

Individual owner of a pass-through entity (member of a limited liability company duly formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a partnership) is able to contribute up to \$25,000 (increased from \$10,000) in the first six months of the year. (Contributions from this taxpayer type are unlimited in the second half of the year, as always.)

### ✓ PAYMENT DEADLINES FOR APPLICANTS ARE REVISED, AS FOLLOWS:

DOR APPROVAL DATE	PAYMENT DEADLINE	WHAT DOES THIS MEAN?
January 1 - September 30	180 days following approval or by 10/31/25, whichever comes first	If approved by April 30, taxpayer has 180 days to make payment. If approved between May 1 and September 30, taxpayer has until October 31 to make payment.
October 1 - December 31	12/31/25	If approved after September 30, taxpayer has until December 31 to make payment.