

VIRGINIA DEPARTMENT OF SOCIAL SERVICES (VDSS)
NEIGHBORHOOD ASSISTANCE PROGRAM (NAP)
INSTRUCTIONS FOR DRAFT APPLICATION
JULY 1, 2026 – JUNE 30, 2027

Refer to this application if you will be applying for tax credits from the Virginia Department of Social Services (VDSS). **The NAP database is only to be used by an organization applying to VDSS for tax credits.**

Send an email to tax.credits@doe.virginia.gov to apply for NAP education tax credits from the Department of Education. DOE has a separate application process.

An organization may only submit one application for NAP tax credits. An application will not be accepted by both departments.

The completed VDSS application package must be submitted online on or before May 1, 2026, by 5:00 p.m. Applications will not be accepted after the deadline. Review the **Application - Frequently Asked Questions document** for more information.

NAP ELIGIBILITY CRITERIA:

§ 58.1-439.20 of the Code of Virginia

In order for a proposal to be approved, the applicant organization and any of its affiliates shall meet the requirements of the application regulations or guidelines. This rule does not apply if the applicant organization received an allocation of NAP tax credits in fiscal year 2013 – 2014.

Definition:

"Affiliate" means with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with such person. For purposes of this definition, "control" (including controlled by and under common control with) shall mean the power, directly or indirectly, to direct or cause the direction of the management and policies of such person whether through ownership or voting securities or by contract or otherwise.

Requirements

- ✓ Be exempt from income taxation under the provisions of §§ 501(c) (3) and 501(c) (4) IRS code of 1986.
- ✓ Must have been in operation providing neighborhood assistance to low-income persons for at least 12 months.
 - A "Low Income person" means an individual whose family's annual household income is not in excess of 300 percent of the current federal poverty guidelines.
- ✓ Must demonstrate that at least 75 percent of total revenue received is expended to support their ongoing programs each year.
- ✓ Must demonstrate that at least 50 percent of the persons served are low-income.
- ✓ Must demonstrate that at least 50 percent of the total revenues are used to provide services to low-income persons.
- ✓ The audit, review or compilation must not contain any significant findings or areas of concern for the ongoing operation of the neighborhood organization.

ALLOCATION OF TAX CREDITS:

VDSS uses the following methodology to allocate the \$8 million in tax credits:

- ✓ **Step 1** The allocation for existing NAP organizations is based on the average tax credits used within the last four years, a minimum of at least \$5,000 or the amount requested, whichever is less.
- ✓ **Step 2** New organizations will receive a minimum of at least 5,000 if tax credits remain from the \$8 million available funding.
- ✓ The allocation process may include a determination of the reasonableness of requests, caps, and percentage reductions in order to stay within the total available funding.
- ✓ In any year in which the available amount of tax credits exceeds the previous year's available amount, at least 10% of the excess amount shall be allocated to approved organizations that did not receive any allocations in the preceding year.

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COMPLETING THE ORGANIZATION PROFILE AND APPLICATION:

- Part I and Part II must be completed via the VDSS NAP database. Complete Part I through the “**Manage Profile**” screen first before accessing the NPO application. Complete Part II through the “**NPO application**” screen **only after reviewing/ updating the organization’s profile**. **Note: A copy of the application cannot be printed from the online database. Save a screenshot after completing each page.**

- **To request VDSS NAP Database access:**

Send an email to nap@dss.virginia.gov to request the user ID information if you have forgotten the user ID. Do not create a new user ID unless directed to do so by NAP staff.

- ✓ The user account is assigned to a specific employee of the organization and is confidential.
- ✓ Do not share NAP database user account information with another person.
- ✓ The account is made “inactive” when the employee has left the organization or no longer needs access to the NAP database.
- ✓ To access the NAP database, a new employee must create a user account and connect their user account to the 501(c)3 organization via a federal ID search.
- ✓ The organization’s profile must be updated to add the new user as a NAP contact person.

Read the **Database Instructions to Create a User ID and Password** located on the VDSS web page. Click on the link <https://www.dss.virginia.gov/community/nap.cgi>. The information is located under the **Announcements** heading on the right-hand side of the page.

Click on the link: <https://naps.dss.virginia.gov/NAPSWeb/faces/landingpage.xhtml> to create a NAP user account.

A new applicant is an organization that has not participated in the VDSS NAP program in any previous year(s).

- ✓ The organization’s name and related information will automatically populate after completing the federal tax ID search if the organization has participated in the NAP program in any previous year.

A **new applicant** must also enter the following information and attach a copy of the organization’s 501(c) (3) (4) document and of copy of the name change form if the name of the organization has changed and does not match the 501(c) (3) (4) document.

- ✓ Federal ID number
- ✓ Name of the organization as listed on the 501(c) (3) (4) document
- ✓ Date the organization received their 501(c) (3) (4) designation
- ✓ Mailing Address
- ✓ Phone Number
- ✓ Fax Number
- ✓ City/County of Main Office
- ✓ Web Address
- ✓ Name, Title, Phone Number and Email Address of the Executive Director or CEO
- ✓ Name, Title, Phone Number and Email Address of the person responsible for entering NAP donations
- ✓ A detailed description of the organization’s programs and explain how the organization is meeting the requirement of primarily providing assistance to low-income people in Virginia.
- ✓ List the organization’s mission from the mission statement.
- ✓ Attach a copy of the organization’s 501(c) (3) (4) document.
- ✓ Attach of copy of the name change form if the name of the organization has changed and does not match the 501(c) (3) (4) document.

The user access request will be reviewed by NAP staff within **three** business days. An email will be sent with the **Database Instructions to Submit an Application** once user access has been approved. If you do not receive an approval email within three business days, send an email to nap@dss.virginia.gov.

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PART I – NPO PROFILE: (NAP Database)

NOTE: The NPO Profile information listed in the online application pulls from the Manage Profile screens and cannot be changed through the NPO Application screen. Click on submit ONLY AFTER reviewing/updating all the pages – profile, description of programs, mission statement and attachments. Review the message at the top of the page to ensure the information is saved and there is no error message.

Manage Profile - Enter all the information into the NAP database.

- Complete/Review the NPO information.
 - ✓ For NPO Contact 1, enter the name of CEO or Executive Director.
 - ✓ For NPO Contact 2, enter the name of the person responsible for entering donations into the database.
 - Emails relating to the NAP program will be sent to the employee(s) listed as the NPO contacts.
- Describe the organization’s programs. The requested information must include all the programs within the organization and reflect the total operation of the organization, not just one or more programs conducted by the organization. Use the Federal Poverty Guidelines chart to determine the income levels of people served. Limit the program description to 2000 characters and limit the mission statement to 1000 characters. Use additional pages as needed. Upload the additional pages in a PDF format in the “Attachments” section of the organization’s online profile.
 - ✓ Describe the organization’s programs. Explain how the organization is meeting the requirements of primarily providing assistance for low-income people in Virginia. Use additional pages as needed.
 - ✓ List the mission statement for the organization and date adopted by Board. Does the mission statement reflect the purpose of the organization? If this is different from the description shown in the audit, review or compilation, please explain.

PART II – NPO APPLICATION –

GENERAL INFORMATION: (NAP Database)

Click on save AFTER EACH page of the online application. Review the message at the top of the page to ensure the information is saved and there is no error message.

- ✓ Enter the total amount of anticipated NAP eligible **donations** the organization expects to receive beginning July 1, 2026 - June 30, 2027, to support low-income people. **NOTE: The NAP database will automatically calculate the amount of tax credits the organization needs at 65% of the total amount entered in the field for the question “anticipated amount of donations the organization expects to receive” - (anticipated amount of donations multiplied by 65% = amount of tax credits needed). The automatic calculation cannot be viewed by the organization.**
- ✓ NAP eligible donations - an individual donation of at least \$500, but no more than \$125,000 in a taxable year or a business, including a trust, donation of at least \$616 in a taxable year may qualify as NAP eligible. NAP tax credits may be available to an individual for monetary or marketable securities donations. NAP tax credits may be available to a business for monetary, stock, merchandise, real estate, rent lease of an organization’s facility, professional services, contracting services, physician specialist services, pharmaceutical services, mediation services or healthcare services donations.
- Provide a statement of objectives for ALL the organization’s programs and list the measurable outcomes that are expected to occur during the FY2026 - 2027 program period. Discuss the method that will be used to evaluate the program’s effectiveness. Limit the description to 2000 characters each. Use additional pages as needed. Upload the additional pages in a PDF format in the “Attachments” section of the NPO application.
 - ✓ **NOTE: An evaluation report listing the program outcomes will be required at the end of the fiscal year for an organization receiving an allocation of NAP tax credits. The report is due by July 31st each year. Email the report to nap@dss.virginia.gov.**
 - The report must include - **goals** listed in the fiscal year application; accomplishments; the number of people served at or below 200% of the federal poverty guidelines (FPG), the number of people served at or below 300% of the FPG; and the number of people served not reported at the 200% or 300% FPG levels.
- Types of Services Offered. Select all that apply. A Food Bank is one that provides food to other non-profit organizations to deliver to low-income clients. **Select “other” if the organization provides food directly to low-income clients.**
- Does this organization operate an on-site health care clinic? If yes, describe the type and frequency of services.

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- Did this organization merge with another VDSS NAP organization within the previous four years? If yes, enter the Federal Tax ID number and list the name of the other organization.
- Does this organization have any affiliated entities indicated in the audit, review or compilation report? If yes, list the name of each affiliated entity. Also, complete the Affiliated Entity information pages. Email the completed **Affiliated Entity information pages**, a copy of the **Federal Form 990** and a copy of **Attachments F & G – Adjustments to Revenue and Expenses**, if required to nap@dss.virginia.gov on or before **May 1, 2026, by 5:00 p.m.** Email a copy of the **audit, review or compilation** for the most recent year ended on or before May 31, 2026, by 5:00 p.m.

LOCALITIES SERVED:

- Check all localities in which the organization will actively provide a service.

CERTIFICATION OF INCOME LEVELS SERVED:

- Food banks must complete the Certification of Income Level Served form specifically for a food bank. A Food Bank is one that provides food to other non-profit organizations to deliver to low-income clients.
- The requested information must include **all the programs within the organization**, or each affiliated entity, and reflect the **total operation of the organization**, not just one or more programs conducted by the organization. If an individual received more than one type of service, only count the person once – this an unduplicated count.
- Use the **Federal Poverty Guidelines** chart to determine the income levels of people served. All fields are limited to 1000 characters. Use additional pages as needed. Upload the additional pages in a PDF format in the “Attachments” section of the online application.
 - ✓ Describe the data, resources, procedures and methodology used to determine the income levels of the total persons served. Be specific about what data is used to determine if the person served has a household income that is not in excess of 300 percent of the federal poverty guidelines, and how this data is acquired.
 - ✓ Describe how often the family’s annual household income information is updated.
 - ✓ If the population the organization serves has changed and does not mirror the information provided on Attachment A, please explain. (If not applicable, put N/A).
- Complete the Certification of Income Levels table using information on clients served for **calendar year 2025, FY 7/2024 – 6/2025, 10/2024 – 9/2025, 5/2024 – 4/2025, etc. to tie in with the organization’s audit period.** If the audit, review, compilation or federal form 990 for the time periods listed above has not been finalized then complete the table providing unaudited numbers for the revenue and expenses sections from the organization’s internal records for the same period. The application will not be reviewed until the deadline to submit the audit has passed.
 - Total family’s annual household income includes wages/salaries, social security income, pensions, dividend/interest income, SSI, etc. All references to poverty/income levels refer to the federal poverty guidelines as shown in the instructions.
 - For *new applicants*, the time periods that may be used for determining the number of low-income persons served by your organization include (i) the most recent calendar year ended, (2025), (ii) completed program year, (2024-2025), or (iii) the organization’s most recent fiscal year ended as indicated above.
 - For *returning applicants*, the time period for determining the number of low-income persons served by the organization must be the same period used for last year’s application.
 - ✓ *Note: The time period for determining the number of low-income persons served cannot be for any period after the submission date of this application.*

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2025 FEDERAL POVERTY GUIDELINES (FPG)

Household Size	100%	200%	300%
1	\$15,650	\$31,300	\$46,950
2	\$21,150	\$42,300	\$63,450
3	\$26,650	\$53,300	\$79,950
4	\$32,150	\$64,300	\$96,450
5	\$37,650	\$75,300	\$112,950
6	\$43,150	\$86,300	\$129,450
7	\$48,650	\$97,300	\$145,950
8	\$54,150	\$108,300	\$162,450
9	\$59,650	\$119,300	\$178,950
10	\$65,150	\$130,300	\$195,450
11	\$70,650	\$141,300	\$211,950
12	\$76,150	\$152,300	\$228,450
13	\$81,650	\$163,300	\$244,950
14	\$87,150	\$174,300	\$261,450

2026 FEDERAL POVERTY GUIDELINES (FPG)

Household Size	100%	200%	300%
1	\$15,960	\$ 31,920	\$ 47,880
2	\$21,640	\$ 43,280	\$ 64,920
3	\$27,320	\$ 54,640	\$ 81,960
4	\$33,000	\$ 66,000	\$ 99,000
5	\$38,680	\$ 77,360	\$ 116,040
6	\$44,360	\$ 88,720	\$ 133,080
7	\$50,040	\$ 100,080	\$ 150,120
8	\$55,720	\$ 111,440	\$ 167,160
Add \$5,680 for each additional person over 8.			

ATTACHMENTS – Attach the below listed documents to the NPO application. Upload each attachment one at a time.

The online submission must include the following:

- A copy of the organization’s most recent year ended federal form 990.
- A copy of the current registration approval letter, extension letter or letter of exemption filed with the Department of Agriculture and Consumer Services, Division of Consumer Affairs (VDACS), or copy of the documentation produced from the VDACS charitable organization database located at <https://www.vdacs.virginia.gov/food-charitable-solicitation.shtml>. In the event that the organization has not received the registration approval letter or extension letter, and the registration on the VDACS charitable organization database has not been updated, provide a copy of the completed VDACS annual renewal application and a copy of the cancelled check.
- A copy of the organization’s brochure, pamphlet or flyer detailing their programs.
- Foodbank – Submit a list of the agencies receiving food from the organization during the past year.

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- Attachment F & G - Adjustments to Revenue and Expenditures **is not required if the organization demonstrates that at least 75 percent of total revenue received is expended to support their ongoing programs each year. The attachments must be completed by an outside independent CPA, if required.** Send an email to nap@dss.virginia.gov to request Attachment F & G if the organization needs to complete the documents.
- A copy of the organization's most recent year ended audit, review or compilation **prepared by an outside independent CPA.**
 - ✓ An audit or review is required if the organization's revenue (including the value of all donations) is in excess of 100,000.
 - ✓ A compilation (detailed financial statements) is required if the organization's revenue is \$100,000 or less.
 - The audit, review, or compilation for 7/1/24 – 6/30/25, 10/1/24 – 9/30/25, 5/1/24 – 4/30/25 or other current dates must be submitted to VDSS on or before **May 31, 2026, by 5:00 p.m.**
 - The audit, review or compilation for 1/1/25 – 12/31/25 must be submitted to VDSS on or before 10/01/2026.
 - **Submit the calendar year 2024 audit with the application.**
 - ✓ The audit, review or compilation will only be accepted by email after the May 1, 2026, application deadline. Send the information to nap@dss.virginia.gov

Email the affiliate documents to nap@dss.virginia.gov by May 1, 2026, if required.

- Affiliated Entity information pages
- Attachments F & G – Adjustments to Revenue and Expenses, if required
- A copy of the affiliates' most recent year ended federal form 990.
- A copy of the affiliates' most recent year ended audit, review or compilation, **prepared by an outside independent CPA.** must be submitted to VDSS on or before **May 31, 2026, by 5:00 p.m.** The audit, review or compilation will ONLY be accepted by email after the deadline for submitting the application has passed.