

# Illinois Tax Credit Scholarship Information for Applicants

## What is a Tax Credit Scholarship Program?

A Tax Credit Scholarship Program allows taxpayers – individuals, corporations, partnerships or trusts – to donate to Scholarship Granting Organizations (SGO) and receive a credit on their state taxes in return. Eligible families are able to apply for scholarships from these donated funds.

## PARENTS / STUDENTS

Current students and incoming students/families that reside in the State of Illinois are eligible to participate in this program as long as they meet the qualifications/requirements as defined by the State and listed below.

## Who qualifies for the Tax Credit Scholarship Program?

See the charts below that show how much your family could receive to cover tuition based on your household income and family size.

**Chart 1:** You could receive 100 percent of tuition and eligible fees if you fit the following:

Number of People Living in your Household	Total Household Income (Adjusted Gross Income) per Year
2	\$16,240 - \$30,044
3	\$20,420 - \$37,777
4	\$24,600 - \$45,510
5	\$28,780 - \$53,243
6	\$32,960 - \$60,976
7	\$37,140 - \$68,709
8	\$41,320 - \$76,442

**Chart 2:** You could receive 75 percent of tuition and eligible fees if you fit the following:

<b>Number of People Living in your Household</b>	<b>Total Household Income (Adjusted Gross Income) per Year</b>
2	\$30,206 - \$40,600
3	\$37,981 - \$51,050
4	\$45,756 - \$61,500
5	\$53,531 - \$71,950
6	\$61,309 - \$82,400
7	\$69,080 - \$92,850
8	\$76,855 - \$103,300

**Chart 3:** You could receive 50 percent of tuition and eligible fees if you fit the following:

<b>Number of People Living in your Household</b>	<b>Total Household Income (Adjusted Gross Income) per Year</b>
2	\$40,762 - \$48,720
3	\$51,254 - \$61,260
4	\$61,746 - \$73,800
5	\$72,238 - \$86,340
6	\$82,730 - \$98,880
7	\$93,221 - \$111,420
8	\$103,713 - \$123,960

**Note:** If more than eight people live in your home, add \$4,160 to the total household income per year for each additional person.

A student qualifies if his or her family earns 300% of the federal poverty level or less (\$73,800 for a family of 4) the tax year previous to first receiving a scholarship. Once a student receives a scholarship, his or her family can earn up to 400% of the federal poverty level (\$98,400 for a family of 4).

The student must also have been eligible to attend a public elementary school or high school in Illinois in the semester immediately preceding the semester for which he or she first receives a scholarship, or the student must be starting school in Illinois for the first time when he or she first receives a scholarship. Students currently enrolled in Catholic schools can qualify!

From January 1 to April 1, priority will be given to students from each of the following categories:

- students who received a scholarship from an SGO during the previous school year;
- students who are members of a household whose previous year's total annual income does not exceed 185% of the federal poverty level (\$45,510 for a family of 4);
- students who reside within a focus district (a poorly performing school district); and
- students who are siblings of students currently receiving a scholarship.

After April 1, all other qualifying students will be able to receive scholarships.

**What are the responsibilities of the student and his or her custodian?**

To participate in the program the custodian and student:

- must select a qualified school and apply for the admission;
- ensure that the student participating in the scholarship program takes the required assessment;
- comply with the qualified school's published policies; and
- authorize the SGO to access information needed for income eligibility determinations.

**How will it be determined whether students are benefiting from this program?**

All students who receive scholarships will be required to take the state assessment.

ISBE will select an independent research organization to conduct an annual study examining the year-to-year learning gains of students receiving scholarships and a comparison of these learning gains to public school students with similar demographic backgrounds. Participating schools must provide this organization with the assessment results of scholarship students.

The sharing and reporting of student data under this Section must be in accordance with requirements of the Family Educational Rights and Privacy Act and the Illinois School Student Records Act. All parties must preserve the confidentiality of such information as required by law. The annual report must not disaggregate data to a level that will disclose the academic level of individual students.

**SCHOLARSHIPS**

**What is the maximum amount of scholarship a student can receive?**

The maximum scholarship amount is either (1) tuition and necessary fees of the school to be attended or (2) the statewide average operating expense per student, whichever is lower. Tuition and necessary fees includes the customary charge for instruction in general and the additional fixed fees charged for specified purposes that are required generally of non-scholarship recipients for each academic period for which the scholarship applicant actually enrolls, including costs associated with student assessments.

- The Illinois State Board of Education is granted rule-making authority to further define the computation of necessary costs and fees.

For the current year, the statewide average operating expense per student is \$12,280. There are also scholarship multipliers for certain students:

- students identified as gifted and talented can receive a maximum scholarship amount of \$13,508;
- students identified as English Language Learners can receive a maximum scholarship amount of \$14,736;

- students identified as eligible to receive services under the federal Individuals with Disabilities Education Act can receive a maximum scholarship amount of \$24,560.

**How is the scholarship amount a student receives determined?**

In order to qualify for a scholarship, a student's family will have to give official documentation to the SGO of their annual income. Based on how a student's household income compares to the federal poverty level, a student will receive the following:

- for students whose household income is less than 185%, the scholarship will be 100% of tuition and necessary fees;
- for students whose household income is between 185% and 250%, scholarships will average 75% of tuition and necessary fees; and
- for students whose household income is above 250%, scholarships will average 50% of tuition and necessary fees.

**SUNSET**

A taxpayer may take a credit under this Act for tax years beginning on or after January 1, 2018 and ending before January 1, 2023. A taxpayer may not take a credit pursuant to this Act for tax years beginning on or after January 1, 2023.

This Act is repealed on January 1, 2024.