



Analysis of State-Level Scholarship Tax Credit Law Provisions

July 2017 Update

This summary identifies and compares the key aspects of state scholarship tax credit laws, including:

- the year each law was adopted,
- whether the tax credits are available to individuals and/or businesses,
- share of individual donations eligible for tax credits,
- maximum dollar amounts for tax credits available to donors,
- total dollar amount for tax credits awarded annually,
- household income limits for scholarship recipients,
- limits on the value of individual scholarship awards,
- the number of scholarship recipients benefitting from the programs, and,
- total funds expended.

ANALYSIS OF STATE-LEVEL SCHOLARSHIP TAX CREDIT LAW PROVISIONS

States (& Yr. Law Passed)	Individual or Corporate Ed. Tax Credits	% of Individual Donational Eligible for Tax Credit	Maximum Annual Tax Credit Per Donor	Total Annual Program Amount	Income Limit on Scholarship Recipients	Limit on Value of Individual Scholarship Awards	Participants & Funds Expended
Alabama ('13)	Individual and Corporate	100% for individual and corporate	50% of individuals & couples tax liability (up to \$50k); 50% of corp. tax liability	\$30 million	1st priority for household income ≤ 185% of federal poverty level (\$45,510 for family of four in 2017-18)	\$6,000 for grades K-5; \$8,000 for grades 6-8; \$10,000 for grades 9-12	3,885 (\$16.3m) (2016-17)
Arizona Individual ('97) & Individual PLUS ('12)	Individual	100% for individuals	\$1,089 for individual; \$2,177 for couples	No limit	No limit	Tuition	46,542 (\$80.2m) (2015-16)
Arizona Corporate ('06)	Corporate	100% for corporate	No limit	\$61.7 million (2016-17), \$74.0 million (2017-18)	Household income ≤ 185% of reduced-priced meal eligibility (\$84,194 in 2017-18)	\$5,300 for gr. K-8, \$6,600 for gr. 9-12	16,573 (\$31.4m) (2015-16)
Arizona Lexie's Law '09	Corporate	100% for corporate	No limit	\$5 million	No limit	Less of tuition or 90% of state cost for local public school	808 (\$3.6m) (2015-16)
Florida ('01)	Corporate*	100% for corporate	No limit	\$559.0 million (2016-17), \$698.8 million (2017-18)	Household income ≤ 260% of fed. poverty level (\$63,960 for a family of four in 2017-18)	88% of avg. state per-pupil aid (\$6,420) for gr. K-5; 92% of avg. state per-pupil aid (\$6,712) for gr. 6-8; 96% of avg. state per-pupil aid (\$7,004) for gr. 9-12.	97,826 (\$535.7m) (2016-17)
Georgia ('08)	Individual and Corporate	100% for individual and corporate	\$1,000 single; \$2,500 couples; \$10,000 for LLCs, S-corps., & partnerships; limited to 75% of tax liability for corp.	\$58 million	None	Cost of avg. state & local expenditures per student (\$9,468 in 2017)	13,601 (\$51.4m) (2016)
Indiana ('09)	Individual and Corporate	50% for individual and corporate	No limit	\$8.5 million (2016-17), \$12.5 million (2017-18)	Household income ≤ 200% of reduced-priced meal eligibility (\$91,020 for a family of four in 2017-18)	Cost of tuition & fees	9,424 (\$15.7m) (2015-16)
Iowa ('06)	Individual and Corporate	65% for individual and corporate	No limit	\$12 million	Household income ≤ 300% of fed. poverty level (\$73,800 for a family of four in 2017-18)	Cost of tuition	10,848 (\$17.6m) (2015-16)
Kansas ('14)	Individual and Corporate	70% for individual and corporate	\$500,000	\$10 million	Household income ≤ 185% of fed. poverty level (\$45,510 for a family of four in 2017-18)	\$8,000 for tuition, fees, expenses, and transportation	297 (\$589k) (2016-17, second yr of program)
Louisiana ('12)	Individual and Corporate	100% less admin. expenses	No limit	No Limit	Household income ≤ 250% of fed. poverty level (\$61,500 for a family of four in 2017-18)	80% of state avg. for per-pupil funding in previous yr. for K-8 (approx. \$4,157); 90% for gr. 9-12 (approx. \$4,676)	1,706 (\$7.0m) (2016-17)
Montana ('15)	Individual and Corporate	100% for individual and corporate	\$150	\$3 million	None	50% of the avg. per-pupil expenditure for the second most recently completed fiscal year (\$5,402 for 2016-17)	25 (\$12.5k) (2016-17, first yr of program)



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Nevada ('15)	Corporate	100% for corporate	None	\$5.5 million (2016-17), \$26.0 million (2017-18, (includes one-time \$20m supplement to formula-driven cap of \$6 million)	Household income ≤300% of fed. poverty level (\$73,800 for a family of four in 2017-18)	\$7,763	1,153 (\$6.2m) (2016-17, second yr of program)
New Hampshire ('12)	Corporate*	85% for corporate	Up to 10% of the aggregate amount of tax credits for the entire program.	\$5.1 million	Household income ≤300% of fed. poverty level (\$73,800 for a family of four in 2017-18)	\$2,655 for general ed. & \$4,646 for special ed.	178 (\$347k) (2016-17)
Oklahoma ('11)	Individual and Corporate	50% for individuals and corporation for 1 yr or 75% for 2 consecutive yrs.	\$1,000 single & \$2,000 for couples; \$100,000 corporation	\$5 million (\$3.5 million for scholarships & \$1.5 million for ed. improvement orgs.)	Household income ≤300% of reduced-priced meal eligibility (\$136,530 for a family of four in 2017-18)	Greater of \$5,000 or 80% of local dist. avg. per-pupil spending; \$25,000 for special ed.	1,366 (\$1.3m) (2016-17)
Pennsylvania Educational Improvement ('01)	Corporate	For K-12 scholarships, 75% for 1 yr or 90% for 2 consecutive yrs.; For PK scholarships, 100% for first \$10,000 of donation and 90% for remaining amt.	\$750,000 per business entity for K-12 scholarships; \$200,000 per business entity for PK scholarships.	\$125 million (\$75m for K-12 scholarships; \$12.5m for PK scholarships; \$37.5m for ed. improvement orgs.)	Household income ≤\$75,000 plus \$15,000 for ea. dependent; to be adjusted annually for inflation	Cost of tuition & fees	36,529 (\$58.8m) (2015-16)
Pennsylvania Opportunity Scholarship ('12)	Corporate	75% for 1 yr or 90% for 2 consecutive yrs.	\$750,000 per business entity	\$50 million	Household income ≤\$75,000 plus \$15,000 for ea. dependent; to be adjusted annually for inflation	\$8,500 for gen. ed. & \$15,000 for special ed.	11,417 (\$30.5m) (2015-16)
Rhode Island ('06)	Corporate	75% for 1 yr or 90% for 2 consecutive yrs.	\$100,000 per business entity	\$1.5 million	Household income ≤250% of fed. poverty level (\$61,500 for a family of four in 2017-18)	None	415 (\$1.6m) (2015-16)
South Carolina ('13)	Individual and Corporate	100% for individual and corporate	60% of donor's tax liability	\$11.0 million	None	\$11,000	1,951 (\$9.7m) (2016-17)
South Dakota ('16)	Corporate (Insurance Companies)	80% for insurance companies	None	\$2 million	Household income ≤150% of reduced-priced meal eligibility (\$68,265 in 2017)	None	281 (\$210k) (2016-17, first yr of program)
Virginia ('12)	Individual and Corporate	65% for individual and corporate	\$125,000 single or couples; no limit for corp.	\$25 million	Household income ≤300% of fed. poverty level for gen. ed. students (\$73,800 for family of four in 2017-18; ≤400% for spec. ed. (\$98,400 for fam. of four in 2017-18)	Lesser of tuition, instructional fees and materials or an amt. equal to state per-pupil funding	2,882 (\$7.4m) (2015-16)

* There is no individual income tax in the states of Florida and New Hampshire.

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