TAX CREDIT 101
IBE WEBINAR

HOUSEKEEPING ITEMS

- Q&A – Best way to get questions answered
- Chat – Also available for questions
- List your child's school & grade

IBE

What is a Tax Credit?

Tax Credit Definition:

Donor/taxpayer receives a dollar-for-dollar credit against State tax liability
(Form AZ 140)

Federal Charitable Deduction Definition:

A deduction on your Federal tax return
(Form IRS 1040)

Where is my AZ Tax Liability?

Your Name (as shown on page 1)		Your Social Security Number	
Exemptions	36 Other Subtractions from Income. Complete *Other Subtraction from Arizona Gross Income* schedule on page 6	36	00
	37 Subtract line 36 from line 35. Enter the difference	37	00
	38 Age 65 or over: Multiply the number in box 8 by $2,100	38	00
	39 Blind: Multiply the number in box 9 by $1,500	39	00
	40 Other Exemptions. See instructions 40E Multiply the number in box 40E by $2,300	40	00
	41 Qualifying parents and grandparents: Multiply the number in box 11a by $10,000	41	00
	42 **Arizona adjusted gross income:** Subtract lines 38 through 41 from line 37. If less than zero, enter "0"	42	00
Balance of Tax	43 **Deductions:** ***Check box and enter amount.*** See instructions 43I ☐ ITEMIZED 43S ☐ STANDARD	43	00
	44 If you checked box 43S and claim charitable contributions, check 44C ☐ **Complete page 3.** See instructions	44	00
	45 Arizona taxable income: Subtract lines 43 and 44 from line 42. If less than zero, enter "0"	45	00
	46a Compute the tax using amount on line 45 and Tax Tables X and Y or Optional Tax Tables	46a	00
	46b If line 45 is $250,001 or more (single/mfs) or $500,001 or more (mfj/hoh) compute the tax surcharge. Enter the amount	46b	00
	47 Tax from recapture of credits from Arizona Form 301, Part 2, line 30	47	00
	48 Subtotal of tax: Add lines 46a, 46b and 47. Enter the total	48	00
	49 Dependent Tax Credit. See instructions	49	00
	50 Family income tax credit (from the worksheet - see instructions)	50	00
	51 Nonrefundable Credits from Arizona Form 301, Part 2, line 61	51	00
	52 **Balance of tax:** Subtract lines 49, 50 and 51 from line 48. If the sum of lines 49, 50 and 51 is greater than line 48, enter "0"	52	00
	53 2021 AZ income tax withheld	53	00
	54 2021 AZ estimated tax payments 54a 00 Claim of Right 54b 00 Add 54a and 54b	54c	00

Dollar-for-Dollar credit on your AZ State Taxes!

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2022 Private School Tax Credit by April 18, 2023

Single -Total $1,243	Orig/Ind $623.00 PLUS/Switcher $620.00	Married Filing Jointly - Total $2,483	Orig/Ind. $1,245.00 PLUS/Switcher $1,238.00

Public School Tax Credit by April 18, 2023

Single	$200	Married Filing Jointly	$400

Foster Care Tax Credit by April 18, 2023

Single $500	Married Filing Jointly $1,000

Charitable Tax Credit by April 18, 2023

Single $400	Married Filing Jointly $800

Military Family Relief Tax Credit by December 31, 2022

Single $200	Married Filing Jointly $400

Grand Total of Tax Credits Available

Single $2,543	Married $5,083

WHEN TO GIVE

- **Must be made prior to filing taxes and on or before tax day**
- **All at once**
  – often on tax day

Monthly Donations
Automatically Withdrawn

Authorization Agreement for Monthly Donations

Title: ☐ Mr. ☐ Mrs. ☐ Ms. ☐ Dr. ☐ Mr. & Mrs. ☐ Dr. & Mrs. ☐ Dr. & Mr. ☐ Dr. & Dr.

Filing Status: ☐ Single ☐ Married, jointly ☐ Married, separately ☐ Head of Household

Donor(s) Name(s): _____

Address: _____ City: _____ State: _____ Zip: _____

Phone Number: _____ Email: _____

2022 Tax Year Original Individual	2022 Tax Year Plus
Single filers maximum donation: $623 Married filing jointly maximum donation $1,245	Single filers maximum donation: $620 Married filing jointly maximum donation $1,238
Recommend my gift of assistance to: IBE's most needed fund (please initial) _____; OR School(s): _____; OR Student(s): _____	Recommend my gift of assistance to: IBE's most needed fund (please initial) _____; OR School(s): _____; OR Student(s): _____

Amount of my monthly donation to be applied first to my Original Individual donation and then my PLUS donation:

$ _____ per month.

For school recommendations only: we will share your contact information. ☐ No thank you

Original Individual yearly total: $ _____

PLUS yearly total: $ _____

Please ensure you have finished your donations for the tax year prior to your appointment with your tax preparer.

I would like my donations to start: _____22_____ and end _____22_____
MONTH YEAR MONTH YEAR

Type of Credit Card: ☐ Visa ☐ MasterCard ☐ Discover ☐ American Express

Credit Card Number: _____ Expires: _____

OR

Electronic Transfer ***If choosing Electronic Transfer, a voided check must be attached to this form***

Account #: _____ Routing #: _____

I hereby authorize Institute for Better Education (IBE) to automatically charge the account indicated above for the amount of the donation listed above on the 22nd of each month. If the 22nd falls on a weekend or holiday, I understand my card will be charged the following business day.

Donor Signature: _____ Date: _____

Notice (A.R.S. 43-1503): A School Tuition Organization cannot award, restrict or reserve scholarships solely on the basis of a donor recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent.

Institute for Better Education
T 520.512.5438
F 520.203.0184
921 N Swan Road
Tucson, Arizona 85711
Email: services@ibescholarships.org

Employee Withholding

Arizona Form **A-4C** Request for Reduced Withholding to Designate for Tax Credits **2022**

Provide this form to your employer.
Do not mail this form to the Arizona Department of Revenue.

Employee's Name	Employee's SSN
Employee's Address – Number and street or PO Box	
Employee's City, State and ZIP Code	

TO:

Employer's (Company) Name
Employer's Address – Number and street or PO Box
Employer's City, State and ZIP Code

At my employer's option, I request that my withholding be reduced in accordance with Arizona Revised Statutes (A.R.S.) § 43-401(G) and that quarterly payments be made on my behalf to the following charity(ies), public school(s), or school tuition organization(s) (Entity):

QUALIFYING CHARITIES, PUBLIC SCHOOLS, OR SCHOOL TUITION ORGANZATIONS

FIRST ENTITY	Entity Name			Employer Identification No. (if known):
	Entity Street Address			Phone No. (with area code)
	Entity City	State	ZIP Code	Annual Amount: $ _____.00
SECOND ENTITY	Entity Name			Employer Identification No. (if known):
	Entity Street Address			Phone No. (with area code)
	Entity City	State	ZIP Code	Annual Amount: $ _____.00
THIRD ENTITY	Entity Name			Employer Identification No. (if known):
	Entity Street Address			Phone No. (with area code)
	Entity City	State	ZIP Code	Annual Amount: $ _____.00

☐ If this box is checked, additional entities are designated on a separate sheet.

I qualify for and am entitled to this amount of credit ($_____.00) for 2022 under A.R.S. §§ 43-1088, 43-1089, 43-1089.01 and/or 43-1089.03. Refer to the instructions for Arizona Forms 321, 322, 323, 348, and/or 352 for credit limits.

EMPLOYEE'S SIGNATURE _____ DATE _____

PRINT NAME _____

FOR EMPLOYER USE ONLY

☐ Approved by:			Date
Total Contribution $	Pay Periods	Current Withholding $	Amount Per Pay Period (not more than current): $
☐ Denied – Indicate reason:			Employee Notified: ☐ Yes ☐ No

Do not mail this form to the Arizona Department of Revenue. Give it to your employer.

ADOR 10761 (21)

Print

Private School Withholding Application

Title: ☐ Mr. ☐ Mrs. ☐ Ms. ☐ Mr. & Mrs. ☐ Dr. ☐ Dr. & Mrs. ☐ Dr. & Mr. ☐ Dr. & Dr.

Filing Status: ☐ Single ☐ Married, jointly ☐ Married, separately

Donor Information:

Donor Name: _____

Address: _____ City: _____ State: _____ Zip: _____

Phone Number: _____ Email: _____

Employer Information:

Employing Company name: _____

Primary Contact name/title: _____

Employer Address: _____

City: _____ State: _____ Zip: _____ **Phone:** _____

2022 TAX YEAR: Single filers may contribute: $623 for Original Individual and $620 for PLUS.
Married filers may contribute: $1,245 for Original Individual and $1,238 for PLUS.

I would like to recommend my gift for scholarship assistance to:

Original Individual	*PLUS Program*
	By law, you may only donate to PLUS if you have fulfilled your Original Individual donation for that tax year.
Intended Total Donation: _____	Intended Total Donation: _____
Recommend a school: _____	Recommend a school: _____
or	or
Recommend a student: _____	Recommend a student: _____
or	*Important applicant eligibility requirements exist if recommending a student. Please visit www.ibescholarships.org for more information.
☐ Most Needed Fund	or
	☐ Most Needed Fund

Donor Signature: _____ Date: _____

Notice (A.R.S. 43-1503): A School Tuition Organization cannot award, restrict or reserve scholarships solely on the basis of a donor recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent.

Institute for Better Education
921 North Swan Road
Tucson, AZ 85711
T 520.512.5438
F 520.203.0184
Email: services@ ibescholarships.org

IBE
DONATING IS SIMPLE
Website
Phone Call
Mail
Stop by and see us!

IBE
ARS NOTICE 43 – 1603:
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Donor Rules

- Donor cannot recommend own child
- Donor cannot make a “conditional” donation
- Donor cannot swap donations with another donor

Donating is Simple!

Donors Have a Choice!

- Recommend a student
- Recommend a school
- Recommend IBE’s general fund

IBE
Donation (3 of 4)
Please enter the total amount you would like to donate or click the to show the maximum tax credit available for the year selected based on your filing status
Donation Amount:
$1,243.00
Single — 2022
Original Tax Credit $623.00
Plus/Switcher Tax Credit $620.00
Total: $1,243.00
Original Tax Credit:$623.00
Student Recommendation:
School Recommendation:
IBE General Fund:
Remaining Donation: $0.00
Amount
$623.00
Plus Criteria:
PLUS / Switcher Tax Credit:$620.00
Student First Name
Student Last Name
School (Optional)
$620.00

IBE
WHAT DOES IT LOOK LIKE TO BE A
APPLICANT?

HOW TO APPLY

- Register on website
- Apply each academic year
- Paper application
- Income verification
- Eligibility verification

Online Registration

Complete Application

Confirm Enrollment and Tuition Balance

2022-2023 Scholarship Application

Register your file at www.ibescholarships.org to track scholarships for your student(s) online
A parent or legal guardian must complete this form.
Beginning June 1st, financial aid applications will be assessed and awarded monthly until funds are depleted.

Application requirements

- Student must be K-12th grade **or** a preschool student with an Arizona public school IEP or MET
- Student must be enrolled full-time in an Arizona private school
- Student may qualify for additional scholarships if any of the following apply:
  - Entering kindergarten
  - Transferring from
    - An Arizona public or charter school with at least 90 days of attendance in the previous academic year
    - An Arizona homeschool program
    - The Empowerment Scholarship Account (ESA) in the prior academic semester
    - A public, private or homeschool program from out of state or out of country
  - Dependent of active duty military stationed in Arizona on orders
  - Previously received an Original/Individual, PLUS/Switcher, Low-Income Corporate or Corporate Disabled/Displaced in a previous academic year and continued to attend a qualified private school
- Student may qualify for additional scholarships if the family household income is within the guidelines of the income chart based on household size

Household Size	185% and below
2	$42,598.00
3	$53,820.00
4	$64,974.00
5	$77,128.00
6	$89,282.00
7	$101,437.00
8	$113,591.00

- Family must submit income verification for all income earners in the household

Parent/Guardian(s) Information:

Title: ☐ Mr. ☐ Ms. ☐ Mrs. ☐ Mr. & Mrs. ☐ Dr. & Mrs. ☐ Dr. & Mr. ☐ Dr. & Dr.

First Parent/Guardian Name: _____

Second Parent/Guardian Name: _____

Address: _____ City: _____ State: _____ Zip: _____

Phone Number: _____ Alternate Number: _____ E-mail: _____

Name of person allowed to request information about your file, if any, other than guardian(s) listed above:

_____ Authorized Person's phone number: _____

T 520.512.5438
F 520.203.0184

921 N. Swan Road
Tucson, Arizona 85711

ibescholarships.org

Income Verification

4. IBE requires the last two (2) paystubs for all income earners in the household. If you do not have paystubs IBE requires the last two proof of income supplements. These could include, but are not limited to: Social Security benefit statements, Welfare benefit statements, Retirement benefit statements or Proof of child support or alimony. You may attach a letter further explaining your financial situation if necessary.

Name	Type: C – Child P – Parent O – Other	Gross Earnings From Work	Welfare, Child Support, Alimony	Pensions, Retirement, Social Security	All Other Income	Check if no income	Check if a foster child
Example: John Smith	P	$40k yrly.					
						☐	☐
						☐	☐

2022-2023 Scholarship Application

Financial Information:

1. List **all** persons living in the household, including children. This would include yourself, your spouse, each child, grandchildren, relatives or any other person living in your residence full time.

2. Include **annual** gross income (before taxes) for all household members. Check "no income" for anyone not receiving income.

3. IBE will **not** accept applications with $0 income listed for the household. If your family truly has no income, contact IBE for further documentation.

4. IBE requires the last two (2) paystubs for all income earners in the household. If you do not have paystubs IBE requires the last two proof of income supplements. These could include, but are not limited to: Social Security benefit statements, Welfare benefit statements, Retirement benefit statements or Proof of child support or alimony. You may attach a letter further explaining your financial situation if necessary.

Name	Type: C – Child P – Parent O – Other	Gross Earnings From Work	Welfare, Child Support, Alimony	Pensions, Retirement, Social Security	All Other Income	Check if no income	Check if a foster child
Example: John Smith	P	$40k yrly.					
						☐	☐
						☐	☐
						☐	☐
						☐	☐
						☐	☐
						☐	☐

Incomplete applications will not be processed.

- *I certify that I am a parent or legal guardian of the child(ren) listed on this application. All information reported on this application is true and correct to the best of my knowledge.*
- *I certify that I am aware that if my student(s) receives ESA (Empowerment Scholarship Account), they are not eligible to receive an award from any STO. I will notify IBE immediately if they receive ESA during the academic year in which I am applying.*
- *I certify I am attaching required income documentation and any other applicable eligibility documentation.*

Print Name: _____ Signature: _____ Date: _____

Notice (A.R.S. 43-1803): A school tuition organization cannot award, restrict, or reserve scholarships based solely on a donor's recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent.

T 520.512.5438
F 520.203.0184
921 N. Swan Road
Tucson, Arizona 85711
ibescholarships.org

School Attendance Verification or Previous Award Verification

Institute for Better Education

Transfer Verification

Must be completed by parent or legal guardian

My child _____ (student's name) is transferring for the 2021-2022 academic year directly from:

Check most recent schooling:

☐ **Empowerment Scholarship Account (ESA) program**
Dates ESA was received: (start) _____ (end) _____
Must provide copy of letter from ESA stating the account has been closed.

☐ **Homeschool**
Dates of most recent homeschool: (start) _____ (end) _____
Curriculum used during this time: _____
Must provide copy of intent to homeschool **and** homeschool termination filed with local governing agency.

☐ **Out of state or out of country**
Name of most recent school attended: _____
Dates of attendance: (start) _____ (end) _____
Must provide a copy of most recent report card.

I certify that the information listed above is true and correct to the best of my knowledge.

Parent/Guardian's printed name: _____

Parent/Guardian's signature: _____ Date: _____

T 520.512.5438
F 520.203.0184
921 N. Swan Road
Tucson, Arizona 85711
Email: services@ibescholarships.org

Four Types of Scholarship Programs
Six Scholarship Opportunities

Individual Donors

Corporate Donors

- Original/Individual Program
  - Financial Aid
  - Recommended Funds
- PLUS/Switcher Program
  - Financial Aid
  - Recommended Funds
- Low Income Corporate Program
- Disabled/Displaced Program

Financial Aid Scholarship Opportunities
Apply to every STO your school works with!

- Funded by Individual Taxpayers Recommending Private Schools
  - Individual / Original
  - PLUS / Switcher
- Funded by eligible Arizona business Recommending Private Schools
  - Corporate Low-Income
  - Corporate Disabled Displaced

Individual/Original

Since 1997
In place for over 20 yrs.

All K-12 children in AZ Private Schools are eligible

Limit of $623 for Single Donors

Limit of $1,245 for Married Donors

PLUS/Switcher

Since 2012

Entering Kindergarten

Transferring from AZ Public/Charter School, Out of State or Country, Homeschool, or ESA

Stationed in AZ on Military Orders

Previous Corporate Award recipients also PLUS/Switcher Award recipient

Limit of $620 for Single Donors

Limit of $1,238 for Married Donors

Donors

Single Donors can donate a TOTAL of **$1,243!**

Married Donors can donate a TOTAL of **$2,483!**

Corporate

MUST meet state-mandated low-income Corporate guidelines (below)

Entering kindergarten

Transferring from AZ Public/Charter School, Out of State or Country, Homeschool, or ESA to private school

Disabled preschooler enrolled in a qualified disabled preschool

Dependent of active duty military stationed in Arizona on orders

Previous Corporate or PLUS/Switcher or Individual scholarship recipient **and** continued to attend a qualified private school

Corporate Disabled/Displaced

Student has an IEP, MET or 504 plan from an Arizona public school

Student was placed at one time in the Arizona foster care system (to be verified by the Arizona Department of Economic Security)

Donors (July 1, 2022)

Corporate Low-Income Cap is **$142,113,727**

Corporate Disabled/Displaced Cap is **$6,000,000**

Household Size	185% and below
2	$62,666.00
3	$78,820.00
4	$94,974.00
5	$111,129.00
6	$127,283.00
7	$143,437.00
8	$159,591.00

STO 123

Orig/Ind $500	PLUS/Switcher $500

STO ABC

Orig/Ind $250	Corporate $250

STO XYZ

PLUS/Switcher $500	Corporate $1,000

Total of Financial Aid Scholarships Received

Individual/Original $750	PLUS/Switcher $1,000	Corporate $1,250

Grand Total in Financial Aid Scholarships

$3,000

Individual/Original

- Since 1997
  In place for over 20 yrs.
- All K-12 children in AZ Private Schools are eligible
- Limit of $623 for Single Donors
- Limit of $1,245 for Married Donors

PLUS/Switcher

- Since 2012
- Entering Kindergarten
- Transferring from AZ Public/Charter School, Out of State or Country, Homeschool, or ESA
- Stationed in AZ on Military Orders
- Previous Corporate Award recipients also PLUS/Switcher Award recipient
- Limit of $620 for Single Donors
- Limit of $1,238 for Married Donors

Donors

- Single Donors can donate a TOTAL of **$1,243!**
- Married Donors can donate a TOTAL of **$2,483!**

Recommended Fund Scholarship Opportunities

Work with one STO that meets your needs!

- Funded by Individual Taxpayers Recommending Private Schools
  - Individual / Original
  - PLUS / Switcher

DEFINITION OF RECOMMENDED FUNDS

Recommended Funds Overview

Arizona Taxpayers have a choice in how to pay State taxes

- Pay the State of Arizona Through the Arizona Department of Revenue or
- Donate to a tax credit organization and have a say in how their taxes are spent

Recommended Funds Overview

With the Arizona Private School Tax Credit Program, donors continue to have a choice

- Recommend a specific Arizona Private School Child
- Recommend a specific Arizona Private School or
- Recommend IBE's General Fund

Recommended Funds Overview

If a specific recommended student is awarded, that student will receive a scholarship for 92% of donated amount

There is no limit on how many donors can recommend your child

When to Start Soliciting Funds Overview

One academic year prior to entering private school

Our application comes out generally at the end of January or beginning of February

This gives you potentially two tax seasons to solicit recommended fund donations

- Start soliciting in January/February
- Start paying for tuition 18 months later

HOW DO I SOLICIT RECOMMENDED FUNDS?

- **Mind Set**
- **Become a donor Expert**

Mind Set

- Opportunity versus handout
- Less than 5% donate
- Most don't even know of this opportunity

Donor Expert:

Increase Refund or Reduce What You Owe

Understand the Timing of Tax Credits

- Donation must be made prior to filling taxes
- 60% of all tax year donations come into Ibe from January 1st – April 15th
- 25% of donations come into IBE during first two weeks of April
- 16% of donations come into IBE the last two weeks of December

Donor Expert:

Be Able to Answer Questions About IBE

- Has been helping families for over 24 years
- Only retains 8% for admin (not 10% as allowed by law)
- Awards 92% always
- Recommendations will never be guaranteed although honoring recommendations is important to IBE
- Once recommended funds are awarded, the roll over year-to-year
- IBE allows families to request funds be transferred to siblings
- Happy to receive calls from donors with questions

MAKE A LIST OF ARIZONA TAXPAYERS YOU KNOW

- **Christmas/Holiday Card List**
- **Family and Friends**
- **Neighbors**
- **Coworkers**
- **Church Friends**
- **Professionals i.e. Doctors and Dentists**
- **Friends with Small Business (Pays taxes quarterly)**
- **CPAs and Tax Preparers**

Solicitation Ideas:

Let That List Know About Tax Credits Via

- Action Page w/Donor Link
- Postal Mail Donation Brochure/Envelope with printed Action Page
- Share our Facebook posts and personalize them
- Invite friends over for a quick dinner and let them know about this program
- Set up meeting for your older child to discuss tax credits
- Talk in person to anyone you do work with, i.e. dry cleaners, carpet cleaners, plumbers

Smith Family Action Page

Thank you for taking the time to consider donating to our children's education. Nick and Jack love school and because of school choice are able to attend the school that is the best for them. Nick currently aspires to be an engineer and Jack is heavily focused on being "awesome".

Their education isn't cheap but and with your help, we can make it happen. Remember, this is an Arizona TAX CREDIT!

From the bottom of my heart, thank you for considering a donation to potentially fund our children's education.

Lorem ipsum dolor sit amet, consectetuer adipiscing elit, sed diam nonummy nibh euismod tincidunt ut laoreet dolore magna aliquam erat volutpat. Ut wisi enim ad minim veniam, quis nostrud exerci tation ullamcorper sus

DONATE

Tax Credits 101

IBE ACTION PAGES

- Log on to your Applicant Portal
- Scroll to Manage Action Pages & click
- Review Overview and click Add Action Page
- Give Title, Description and upload photos
- Preview and Submit

IBE
TIPS AND TRICKS
Postal Mail & Action Page
Personalize your child's story
Personalize letter/Action Page to audience:
Church / Sports / Hobby
Reach out multiple times per year
October – introduce the program
December – Christmas / holiday letter
February/March – reminder / thank you
End of school year letter
Postal Mail
Include a stamp on donation envelope
Add wallet sized school pictures

IBE
PUSH-BACKS
Too good to be true
Will get audited
You chose private school, you can pay for it
You are hurting public schools

Tax Credits Save The State of Arizona Money!

How the Arizona School Tuition Organization Tax Credits Save the State Money

By Deborah Sheasby

Executive Summary

Arizona has four programs that allow taxpayers to claim credits for donations to school tuition organizations that provide scholarships for students to attend private schools. The state realizes a savings for each student that attends private school in lieu of public school. Because the tax credit scholarship programs allow tens of thousands of students to attend private schools, the state saves at least $34.6 million, and potentially upwards of $285 million per year, compared to the cost of educating those students in public school.

Overview of Arizona's Tax Credit Programs

History

In 1997, Arizona passed its first tax credit for individual donations to private school tuition organizations.[1] A school tuition organization (STO) is a 501(c)(3) nonprofit organization that awards at least 90% of donations received as scholarships to students attending private schools. The program allows taxpayers to make a donation to an STO and claim a tax credit of $569 for an individual or $1,138 for a married couple for the current tax year (2019). The credit went into effect in FY1999 and has grown to around $70 million in donations and $64 million in scholarships in FY2018.[2] This credit is generally referred to as the "original" individual tax credit.

In 2005, a second program was created that allowed corporations to contribute funding for STO scholarships.[3] The recipients of scholarships under the corporate program must meet income limitations and must be switching from public to private school, attending kindergarten (or a preschool for students with disabilities), or be the dependent of an Arizona active-duty member of the military. Students who have received scholarships through the low-income corporate program (or the overflow program) may continue to receive scholarships in subsequent years if they remain enrolled in private school. The total scholarship amount that can be awarded per

[1] The law governing the original individual tax credit can be found at Ariz. Rev. Stat. § 43-1089. Regulations concerning school tuition organizations that participate in the individual tax credit programs are found in Ariz. Rev. Stat. §§ 43-1601 through 43-1605.

[2] Data on the donations and scholarships used throughout this paper are taken from the annual reports on the STO tax credit programs and other public records from the Department of Revenue. The reports can be found on the Department's website at https://azdor.gov/reports-statistics-and-legal-research/report-school-tuition-organization-income-tax-credits.

[3] Ariz. Rev. Stat. § 43-1183. Regulations concerning school tuition organizations that participate in the corporate tax credit programs are found in Ariz. Rev. Stat. §§ 43-1501 through 43-1507.

1

HOW IBE CAN SUPPORT YOU

- Action Page/Donor Link (Applicant Portal)
- Donation Brochures/Envelopes
- Printable Action Page
- Facebook Ads to Share and Personalize
- Zoom and In-person Workshops
- Thank You Cards
- IBE Makes Donations Simple

THANK YOU CARDS

- Send reminder postcards thanking donors for considering making their tax credit donation
- Ask donor to let you know if they donate so your child can thank them personally
- Send stamped thank you cards to IBE and we will address and get them to your donors

SOLICITATION SYSTEM

- **Be organized**
- **Have realistic expectations – it's a numbers game**
- **This is a part-time job that pays well**
- **Spreadsheet of potential donors**
  - **Names**
  - **When Contacted**
  - **Donations made (with donor input)**
  - **Follow-up contact**
  - **Thank you sent**
- **Keep notes of what works**
- **Understand that the first year is the most difficult**
- **Stay focused on your goal – funding the best education for your child!**

IBE

IBE Scholarship Awarding Criteria

(in order of importance)

Financial Need Based Scholarship:

- Financial Circumstances
- Tuition
- Number of children in private school
- Special Circumstances

Recommended Fund Scholarship:

- Donor Recommendation
- Tuition
- Number of children in private school
- Financial Circumstances
- Special Circumstances

IBE SCHOLARSHIP AWARDING SCHEDULE

- IBE has no Financial Aid Deadlines
- Most Financial Aid Scholarships are awarded in August
- School with IBE funds can award monthly
- Recommended Fund Scholarships are paid out monthly

Universal ESA Update

WHAT WE KNOW AS OF NOW

- S.O.S. is pushing back in attempt to take this to the voters
- September 24 is the date this will either be implemented or put on hold
- If implemented funding is not anticipated to reach schools until after January
- If put on hold, voters will decide either in 2022 or 2024 election
- Funding is expected to be around $6,700
- You cannot utilize STO funds and ESA funds during the same quarter
- Continue soliciting STO funds!

IBE
WHAT SETS IBE APART?
Admin Fee for Individual Donations 8% vs 10%
Awards 92% always
Send Recommended Funds every month except for June
Does not consider Recommended Funds while awarding Financial Aid
Recommended Fund awards roll-over each year for continuing students
Allows families to request Recommended Funds transferred to sibling

IBE
WHAT SETS IBE APART?
All families to solicit donations one academic year prior to attending private school
IBE has awarded Nominal Awards to maintain PLUS/Corporate eligibility since 2012
Applicant Portal shows awards, including Recommended Scholarships
Provided over $400,000 in emergency funding the end of the 2021-2022 academic year

IBE

Plan of Action!

- Register as an Applicant & Donor
- Apply for the 2022-2023 academic year
- If you have financial need, apply to every STO your school works with
- Set up a Solicitation System
- Inform potential donors of their choices with their State Tax Dollars – they can choose to recommend your child
- Follow-up with potential donors
- Get thank you cards to IBE for mailing

IBE
IN CLOSING
How your child is educated is 100% up to you
Tax Credits allow you to Put Your Child First
Apply Apply Apply
Thinking outside the “box” is recommended
Partnering with IBE will give you and your child the best chance for educational success

IBE
MAKE A
DIFFERENCE
IBE
Give the gift of
EDUCATION