

The same application is used for both Individual and Corporate Scholarships. We have multiple award cycles each school year; only one application is required per school year. Application Deadlines can be found on our website.

School Choice Arizona can only make an award if your student is currently attending, or in the enrollment process, for the school named on your application.

Applications expire at the end of the school year shown on the application, regardless of when they are received.

How are scholarships awarded and what factors are considered?

Please keep in mind that, per the tax credit laws, scholarships are not guaranteed.

Our Selection Committees consider three factors when making award decisions:

- 1 The Financial Circumstances of the student's family *(This is a required factor by state law. It is held in strictest confidence.)*
- 2 A Narrative provided by the parents
- 3 Donor Recommendations received for the student

Every student who has a current application on file, is enrolled, and meets the qualifications of each type of scholarship is considered. If a student does not receive an award, it is simply because there weren't enough funds during that award cycle to go around.

What if my student receives an award but transfers to another school?

As long as the new school is a private school in Arizona that partners with School Choice Arizona, the unused portion will follow the student. Otherwise, any remaining scholarship amount would be awarded among other students at that school.

May a student receive funds from more than one STO?

Yes, we encourage you to apply for any opportunities available. **Our number one goal is for you to be able to afford a private education for your child.**

REGARDING SCHOLARSHIPS
CONTINUED ON BACK COVER →

If my student receives Empowerment Scholarship Account (ESA) money from the Arizona Department of Education, can they also receive a scholarship from School Choice Arizona?

The ESA statute (A.R.S. 15-2402 (B)(3)) requires that while a parent has a contract with the ESA program, a student cannot accept ESA and STO money for the same period. If a parent chooses to end their ESA contract during the school year, there is no conflict if the student receives an STO scholarship for the remainder of the academic year.

Are scholarships awarded to families?

Per the Arizona Department of Revenue, scholarship awards are only given to individual students. There are no family accounts. These awards are non-transferable, even within the same family.

SCHOOL CHOICE ARIZONA

2241 East Pecos Road, Suite 3
Chandler, Arizona 85225

- ☎ 480.722.7502 📡 schoolchoicearizona.org
📄 480.361.1832 ✉ info@schoolchoicearizona.org

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📷 @SchoolChoiceArizona 📺

NOTICE: A school tuition organization cannot award, restrict, or reserve scholarships solely on the basis of 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. A.R.S. 43-1603 (C). Any designation of your own dependent as a potential recipient is prohibited.

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SCHOOL CHOICE ARIZONA

FREQUENTLY ASKED QUESTIONS

INDIVIDUAL TAX CREDIT SCHOLARSHIPS

2019-2020

REGARDING SCHOLARSHIPS

Which types of scholarships are available?

School Choice Arizona awards four different scholarships, which are funded through tax credit donations from Individuals and Corporations. Arizona's two Individual Tax Credits fund School Choice Arizona's Original and Overflow awards.

Original Scholarships are funded through the Original Individual Tax Credit Law, enacted in 1997 as A.R.S. 43-1089. Any student enrolled in a private school in grades K-12 (or a preschooler with disabilities) qualifies for this scholarship.

Overflow Scholarships are funded through the Switcher Individual Tax Credit Law which took effect in August 2012 as A.R.S. 43-1089.03. To be eligible, students who qualify for an Original Scholarship must also fall under one of four categories.

The student attended an AZ public or charter school for at least 90 days, or a full semester, in the prior school year, and transferred to a private school.	The student is currently enrolled in Kindergarten.
The student is a dependent of a member of the US Armed Forces who is stationed in Arizona under military orders.	The student previously received a Corporate or Overflow scholarship, and has attended private school continuously since.

Please review our website and Scholarship Application at schoolchoicearizona.org for further details.

How do I receive a scholarship for my child?

Parents need to apply for scholarships through their Parent Portal account at schoolchoicearizona.org. Once you create an account, you will be able to apply online, update family information, view award history, and be notified about award decisions.

You may also print an application from our website. Submit the completed application to us by mail, fax, or email (info@schoolchoicearizona.org).

REGARDING DONATIONS

Why should I donate to School Choice Arizona?

WE EXIST TO GIVE PARENTS EDUCATIONAL CHOICE.

Our goal is to make that happen—your donation creates opportunities for children to reach their unique potential.

Private Education can be a life changer for the student and their family. With your donation, you not only change lives, but save the state of Arizona money. The average tax credit scholarship is only a small portion of what Arizona would actually pay to educate the child if enrolled in a government funded school. Your donation is a win-win for everyone!

School Choice Arizona's sole purpose is to **make Private Education affordable for everyone.**

How can I donate?

Donate Online: Give through our secure Donor Portal at schoolchoicearizona.org.

Donate by Phone: Call us at **480.722.7502** to donate by credit card. Our phone hours are M–F, 9am–12pm and 1pm–3pm.

Donate by Mail: Complete a donation card and include a check, money order, or credit card information. Mail donations to **2241 East Pecos Road Suite 3, Chandler, AZ 85225.**

When can I donate?

You may donate at any time of the year. We process as many donations as possible prior to each award cycle.

For donations made between January 1 and April 15, the donor can choose to claim the tax credit for the previous or current tax year. **If claiming it for the previous tax year, donations must be made by the time you file your taxes or April 15, whichever comes first.** Even if you file an extension, **your donation must be postmarked or submitted online before midnight, April 15.**

How much can I donate?

You can donate up to the combined maximum of the Original and Overflow Tax Credits, or your Arizona state tax liability, whichever is less.

Your state tax liability is the amount of money you must pay to the state in taxes based on your earnings. In exchange for your donation, the state gives you a dollar-for-dollar tax credit, essentially taking the place of what you would have to pay to the state. **However, your donation cannot exceed the annual donation maximum allowed, or your tax liability, whichever is less.**

In order to claim the Overflow Tax Credit, you must donate the maximum amount to the Original Tax Credit first. Any amount donated above the allowed maximum for the Original Tax Credit then is applied to the Overflow Tax Credit, up to that credit's allowed maximum donation.

For the current tax credit maximums, see our Donation Brochure, or visit our website at schoolchoicearizona.org.

If you have no liability, you cannot receive a credit. However, what you give to School Choice Arizona may be considered a charitable gift.

If I already get a refund, why would I need a tax credit?

You receive a refund when you overpay toward your state taxes throughout the year.

A credit is very different from a refund. Dollar-for-dollar, a credit **offsets** the tax you owe the state. **Arizona gives you credit for each dollar you donate** up to your state tax liability or the stated maximum, whichever is less.

When you take advantage of a tax credit, if you normally get a refund, you'll get a bigger refund! Likewise, at the end of the year, if you typically owe tax, you'll owe less or now receive a refund.

How much of my donation is awarded as a scholarship?

Arizona law requires that 90% of donated funds are awarded as scholarships. School Choice Arizona awards **92%** of recommended donations. We operate on an 8% budget which is used to pay for operating costs and numerous resources for our schools, parents, and donors.

Can I recommend a specific school or student with my donation?

Yes, you may identify a specific school and your donation will be used to award scholarships among applicants from that school. A current list of our Partner Schools is available on our website. In addition, you may also recommend an eligible K–12 student (or preschooler with disabilities) who is not your child or dependent.

However, you cannot “swap” donations with other people by recommending each other's children. The law states, “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.” School Choice Arizona has always discouraged this practice.

Does a donor's recommendation guarantee a scholarship?

No, School Choice Arizona's Selection Committees must retain complete discretion regarding all awards. Both Arizona law and IRS regulations do not allow guarantees. **Recommendations are considered in the award process, but they are not the only factor.** Our Selection Committees also consider the Financial Circumstances of the student's family (a required factor by state law) and a Narrative about the student which are provided in the student's Scholarship Application.

Will I receive a receipt at the end of the year?

If you have an account on our Donor Portal, you may print your current year's receipt at any time. If you have not yet created an account, an annual receipt statement will be mailed to you by January 31 of the following year.

Is my donation eligible for a federal deduction?

Please consult your tax advisor for specific tax advice concerning deductibility for your tax situation.

Are there other tax credit opportunities?

Arizona offers several other tax credit opportunities for public schools, charitable organizations, foster care, and military families. A taxpayer may donate to as many of the various tax credit programs as they like—as long as they have the state tax liability to do so. Visit the Arizona Department of Revenue website at azdor.gov for more information.

How do I report the donation on my tax return?

Donations to School Choice Arizona for the Original Tax Credit are filed using Arizona Form 323. Donations made for the Overflow Tax Credit are filed using Arizona Form 348. If claiming any tax credits, you will also need to complete Form 301. Forms are available from the Arizona Department of Revenue at azdor.gov, or our website at schoolchoicearizona.org.

Why can't parents know who donated for their child or how much?

The Arizona Department of Revenue has always maintained that donor names should not be shared with scholarship recipients. By providing the names of donors who recommended a child for a scholarship, the STO may give the impression that money donated will always be used for the student beneficiary recommended by the donor. In addition, as a 501(c)(3), federal charitable contribution laws expect donor confidentiality.

A.R.S. 4-3-1603(B)(3) prohibits an STO from awarding, designating or reserving scholarships based solely on a donor's recommendation. We do not disclose dollar amounts for recommendations because there are no guarantees for the recommended amount. Tax credit law discourages any perception of an entitlement to scholarships that are not yet awarded.

**DO YOU KNOW SOMEONE WHO OWNS A C CORP OR AN S CORP?
HELP THEM MAKE A DIFFERENCE ... CONTACT US TODAY!**

Have another question?

We're always available to help! Give us a call at 480.722.7502, or email us at info@schoolchoicearizona.org today!