Illinois State Tax Credit Scholarship

LCMS Lutheran Schools in Illinois have the greatest opportunity in our time to plan and act in alignment with God's calling to share the Gospel of Jesus Christ to the children and families in our communities!

Tax Credits for Donations to Non-Public Schools

The State of Illinois passed a comprehensive education funding bill in August, 2017, that was signed into law. The law includes a provision for tax credit scholarships – a 75% income tax credit to individuals and businesses – supporting non-public school scholarships for low-income students in the state. Illinois students from low-income families may use these new scholarships to attend a non-public school of their choice.

The basics of the program are as follows:

- Beginning in 2018, Illinois donor residents and corporations are eligible for a tax credit equal to 75% of donations make to a qualifying non-profit Scholarship Granting Organization (SGO), up to \$1 million.
- Donors must apply for the credit via an application process that is open now; credits are issued on a first come, first served basis.
- Individual donors can designate that their donation be used to support scholarships at a specific school, so you can specify St. John's to receive your donation.
- Once approved for a tax credit, the donor must make their donation to the SGO within 60 days of their application date.

How Do I Make My Donation and Get My Credit?

Empower Illinois, a statewide Scholarship Granting Organization (SGO) was created in 2017 to serve Illinois children through the state's tax credit scholarship program. Empower Illinois connects Tax Credit Scholarship Donations to Illinois students whose education opportunities may be limited by household income.

- 1. Begin the process by applying for a Letter ID to activate your account on www.mytax.illinois.gov.
- 2. An ID letter will arrive in the mail (can take up to 10 business days). Then use it to sign-up/activate your www.mytax.illinois.gov account.
- 3. Reserve your tax credit now! The opportunity will be on a first-come, first served basis. You are encouraged to reserve yours as soon as possible. Indicate St. John's Lutheran School (RCDTS# 06016136X060000 if requested) when reserving your credit.
- 4. Once your credit has been reserved, you have 60 days to make your donation Empower Illinois at www.EmpowerIllinois.org. You will be sent a certificate of receipt by Empower Illinois. Do not send your donation directly to the school.
- 5. Claim your tax credit when you file your 2019 Illinois State Tax return.

We encourage you to begin the process by applying for your Letter ID <u>as soon as possible</u> as donations are able to be made now. If you have ANY questions contact Teri Lyn Mannes at 708-354-1690 x218 or t.mannes@sjLagrange.com. You can also learn more about how the State Tax Credit program works by going to the Empower Illinois website at www.EmpowerIllinois.org or to the NID site at https://nidnews.org/opening-doors-to-students/