

# THE TUITION GAP

## ELEMENTARY

Average Tuition per Student: \$4,880

Average per Student Cost to Educate:  
\$6,547

**The Tuition Gap (*average*)** **-\$1,747**

This means that, on average, each school must find \$1,747 per student in income other than tuition to fund the school.

# Indiana School Choice Initiatives: Tax Credit Scholarship vs. Choice Scholarship

## TAX CREDIT SCHOLARSHIPS (SGO)

- Funded by donations
- Student's household income must be at or below 200% of federal free & reduced lunch requirements
- Scholarship amounts range from \$500 to student's full tuition

## CHOICE SCHOLARSHIPS (Vouchers)

- Funded by state
- Student's household income must be at or below 150% of federal free & reduced lunch requirements
- Voucher amounts are the maximum of student's tuition or local funding rate per student for local public school

# Indiana Tax Credit Scholarships

- Established in 2009
- Provides scholarships to students who wish to attend a participating non-public school
- Fully funded by donations made to Scholarship Granting Organization by both Individual and Corporate donors
- Donors receive 50% Tax Credit on Indiana tax liability
- 16 of the 18 schools in our diocese participate in this program

Donors make contributions to SGO



Donors receive  
**50% Indiana Tax Credit**



Eligible student applies to SGO  
for Tax Credit Scholarship

# Potential Cost Of Tax Credit Donation

Donation Amount	Indiana State Tax Credit	Federal Deduction <small>*assuming 30% tax bracket</small>	Estimated Tax Savings	Estimated After-Tax Savings Cost of Donation
\$500	\$250	\$150	\$400	\$100
\$1,000	\$500	\$300	\$800	\$200
\$5,000	\$2,500	\$1,500	\$4,000	\$1,000
\$10,000	\$5,000	\$3,000	\$8,000	\$2,000
\$50,000	\$25,000	\$15,000	\$40,000	\$10,000
\$100,000	\$30,000	\$30,000	\$80,000	\$20,000

*\* Costs vary by donor. Please check with your financial or tax advisor about your current tax rate/tax liability.*

# Tax Credit Limitations

**While there are no limits to how much a donor can contribute to a qualified SGO**, the state cannot award more than \$9.5 million in Indiana tax credits this fiscal year (July 1, 2016 – June 30, 2017).

Total Credits that may be awarded this fiscal year:	\$9,500,000
<b><u>As of October 31, 2016:</u></b>	<b>\$2,154,724</b>
Credits remaining to be awarded this fiscal year:	\$4,204,558