

## Want to give a scholarship gift AND receive a significant IL State tax credit?

Recently, the State of Illinois has created a new way to fund scholarships for children who choose to attend private schools through the *“Invest in Kids Act”* which starts in January 2018. This Act allows **individuals** and **corporations** to donate money to a Scholarship Granting Organization (SGO) and **receive a credit on their state taxes in return**. These organizations will then use this money to grant scholarships to qualifying students. Scholarships offered through this program have the potential to cover up to 100 percent of tuition and eligible charges for the next 5 school years.

This new law is a huge opportunity for current and potentially new students at Catholic schools. **Any scholarship money designated to Holy Cross or St. Thomas More Schools will benefit not only families but our Church as well**. The additional scholarship money that could come from this program will reduce the tuition assistance given by Holy Cross and St. Patrick Church each year. It could also help fill the empty seats in both schools by giving financial support to families that would never apply to attend Catholic school due to their tight budget issues.

The *“Invest in Kids Act”* offers an incentive for all donors participating in this program. Illinois taxpayers can receive **75% in state income tax credit** for their total qualified contributions made to SGOs during a taxable year. This credit could be used for IL tax return for the year the contribution was made. *Any unused tax credit may be carried forward for up to 5 subsequent years until used. This program is especially helpful to the donor with IL income tax liabilities, since the State of Illinois tax rate just increased from 3.75% to 4.95% on July 1, 2017.* This law could be beneficial due to pending approval of new Federal tax laws which will raise the standard deduction. Fewer taxpayers will be able to itemize deductions such as charitable donations and State income taxes on their federal tax returns.

**For this program to be successful in 2018, it is very important for the potential donors to be approved by Illinois Department of Revenue starting December 2017!** The State can issue up to \$75 million in tax credits per calendar year and **credits will be awarded on first-come basis**. The application for approval takes one minute but it has to be done online through MyTax Illinois, the free online tax portal. **Individual donors must set up an account at MyTax Illinois (mytax.illinois.gov) which should be done ASAP** as the confirmation “Letter ID” must be mailed to the taxpayer’s address. **Donors can designate their contribution to a specific school or group of schools. The donor needs to provide the Region and the name of the SGO to which the contribution will be made.** Donor’s approval by IL State is granted automatically as long as the regional thresholds have not been met.

**All donors who wish to support our local Catholic schools need to choose Region 4 and Empower Illinois as the Scholarship Granting Organization (SGO). Those who want to support our Holy Cross School need to designate their contribution to this specific school.**

Please see the additional page for specific instructions about how to set up your “My Tax Illinois Account”. For further information about this opportunity, please contact Becky Moore 217-415-3778 or [Bmoore@holycrosselem.org](mailto:Bmoore@holycrosselem.org) or go to the Catholic Diocese of Peoria website, in English or Spanish, at: [www.cdop.org](http://www.cdop.org)

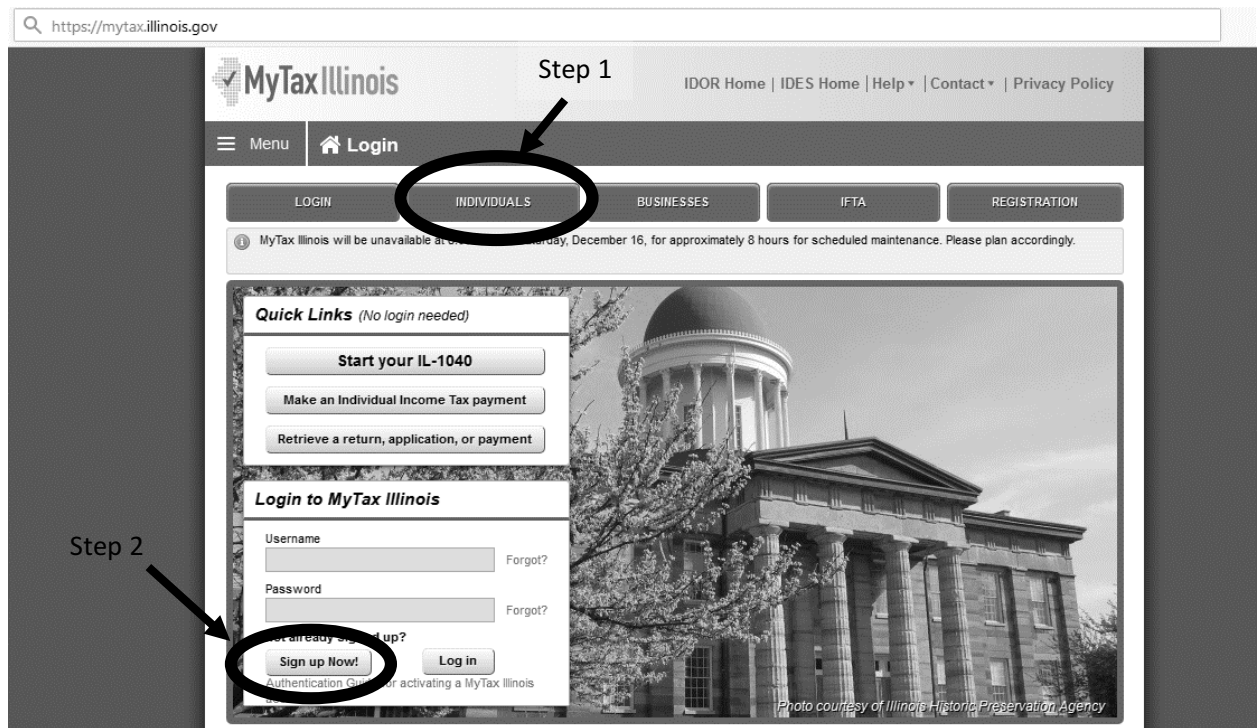
## MyTax Illinois Account Setup

To receive Illinois income tax credit for donating scholarship money you must have a MyTax Illinois account. *The process can take up to 2 weeks. Start now so you can be ready to apply for tax credit on January 2<sup>nd</sup>.* If you need support call 800-732-8866 or email Rev.MyTaxHelp@Illinois.gov

You will need your social security number and Illinois driver's license number

### Step 1 Request a "Letter ID" to be mailed to you.

- Navigate [mytax.illinois.gov](https://mytax.illinois.gov),
- Click **Individuals** button
- Click **Request a Letter ID** link; complete form; Letter ID will be mailed to address on your last IL tax return.



### Step 2 Register For your MyTax Account

- Navigate to [mytax.illinois.gov](https://mytax.illinois.gov), Click **Sign Up Now!** button.
- Select **SSN** radio button, Enter Social Security number in SSN box, press **Tab** button
- Complete form

### Step 3 Confirm account

- Open email from MyTax Illinois
- Click on link
- Logon to account

You will now be able to apply for your tax credit starting January 2, 2018.

If you need support call 800-732-8866 or email Rev.MyTaxHelp@Illinois.gov