

Educational Opportunities Act

The Educational Opportunities Act is a new federal corporate & individual tax credit to promote school choice.

- Tax Credits:
 - Creates a new tax credit of up to \$4,500 for all individual tax filers, except married individual filers, who will receive up to \$2,250.
 - Allows up to \$100,000 tax credit for corporations.
- Scholarship Granting Organizations (SGOs) must:
 - Be a non-profit, 501(c)(3) organization whose exclusive purpose is to provide scholarships for eligible students to be used toward private school tuition and related expenses.
 - Provide scholarships to more than one student, and to different students attending more than one school in an effort to prohibit fraud.
 - Verify the annual household income and family size of eligible students to which it provides scholarships.
 - Obtain annual audits from an independent CPA. SGOs must also ensure that no employee has violated any law in regards to such financial audits, thus ensuring financial accountability.
 - Require eligible students to participate in evaluations and reporting through the Institute of Education Science (IES). SGOs must also ensure that eligible schools agree to send reports to SGOs and students' parents on students' academic performance on a grade-appropriate, nationally recognized norm reference test, or a state-recognized assessment.
- Eligible schools must:
 - Charge tuition for attendance.
 - Comply with all applicable State laws, including laws related to unlawful discrimination, health and safety requirements, and criminal background checks of employees.
- Eligible students must:
 - Enroll in a private school that charges tuition for attendance.
 - Be a member of a household with annual household income which does not exceed 250 percent of the Federal poverty guidelines.

The Joint Committee on Taxation (JCT) has estimated this bill will cost less than \$6 billion over the next ten years. Current legislation does not include an offset, but will be included at a later date.

Current supporters of the bill include the American Federation for Children, the Foundation for Excellence in Education, the Black Alliance for Educational Options, the Hispanic Council for Reform and Educational Options, and Agudath Israel of America.