Federal Scholarship Tax Credit: A Historic Opportunity for California

SUPPORTING STUDENTS | STRENGTHENING COMMUNITIES | GROWING CALIFORNIA'S ECONOMY

How the Program Works

The new Federal Scholarship Tax Credit (FSTC) allows taxpayers to donate to a Scholarship Granting Organization (SGO) and receive a dollar-for-dollar federal tax credit of up to **$1,700 per year** (or **$3,400 for joint filers**).

WHO CAN RECEIVE SCHOLARSHIPS?

K–12 students at public, charter, or nonpublic schools with family income under 300% of their local Area Median Income.

WHAT CAN SCHOLARSHIPS COVER?

Tuition, tutoring, textbooks, uniforms, texcial tedds. services, transportation, computers, afterschool programs, and more.

STATE OPT-IN REQUIRED

States must opt in to the program before residents can receive scholarships. **California has not yet opted in.**

Major Economic Benefits for California

$6.2 Billion in scholarships for Californians (projected)

$10.3 Billion in additional tax revenues (projected)

124,000 New Jobs in California (projected)

$41 Billion in additional California GDP (projected)

A Transformational Opportunity for California Students

5.9 Million Eligible Students in California

Over 92% of California K–12 students are projected to be income-eligible for a scholarship.

Benefits All Students

- **~70% of scholarship funding** is expected to go to public school students, based on recent state program data.
- **Supports students in every school setting** – public, charter, and nonpublic.
- **Helps families afford** a range of educational expenses, including afterschool programs and special needs services.

Not a Voucher Program

- **Does not reduce federal funding for public schools.** ESEA and IDEA funding remain at current levels.
- **Not funded from public school budgets.** The program is funded fiа federal tax credits, irve education funds.
- **Public school students are fully included.** Unlike traditional voucher programs, any eligible K–12 student can receive a scholarship.
- **Opting in is free for the state.** It does not require state funding or a new state program.

California's Future Is in the Governor's Hands

Governor Newsom must decide whether California participates in the Federal Scholarship Tax Credit. **Make your voice heard.** Contact the Governor and share your position on bringing billions in potential scholarship funding to California students and families.

SCHOLARSHIPS — FOR ALL CA —

Education that works for every student

www.scholarshipsforallca.com