Education Freedom Tax Credit FAQs

Q: What opportunities will this create for our school?

A: The Education Freedom Tax Credit (EFTC) initiative will strengthen educational opportunities for our community, bolster our school's sustainability, and generate a new stream of revenue that will help reduce the financial burden of educational expenses for our families.

Q: What educational expenses are covered?

A: Under the EFTC initiative, scholarship funds may be used for qualifying expenses incurred in connection with an eligible student's enrollment or attendance at a school, including tuition, books and supplies, tutoring, education technology, and other qualifying educational expenses. We anticipate additional guidance from the U.S. Treasury regarding eligible expenses to be forthcoming.

Q: How will the EFTC initiative impact religious liberty and private school autonomy?

A: The EFTC initiative incentivizes private investment in student scholarships. Unlike traditional voucher programs, it does not use public funds appropriated by the state or federal government. This innovative approach expands educational freedom for students and protects against the risk of government infringement of religious liberty, pursuant to a landmark ruling at the U.S. Supreme Court in *Espinoza v. Montana Department of Revenue* (2020).

Q: What is considered a qualified contribution and what is the maximum amount an individual can contribute through the EFTC?

A: Individuals can receive a 100% dollar-for-dollar federal tax credit of up to $1,700 for individuals (up to $3,400 for married couples filing jointly), when they contribute to a certified Scholarship Granting Organization (SGO). Our school's SGO is ACE Scholarships. Contributors cannot claim both the credit and a charitable deduction for the same dollars.

Q: Can parents contribute to the EFTC, receive a federal tax credit, and direct their gift to provide a scholarship for their own children?

A: No. To ensure fairness, transparency, and compliance with federal law, parents cannot direct contributions made through the EFTC to benefit their own children. In fact, the EFTC prohibits any form of self-dealing to maintain the integrity of the program. Dollars contributed through our school's portal, however, will be used specifically to create scholarships for our school's students. Donations must first go to our approved SGO (ACE Scholarships), who is then responsible for verifying student eligibility and awarding scholarships. This structure ensures that every dollar goes where it's needed most.

Q: How will the federal government pay for the tax credits for scholarships?

A: The EFTC is funded entirely through voluntary private contributions, not new government spending, making it a fiscally responsible solution that expands educational opportunity without taking a single dollar from public schools.

Q: Which Scholarship Granting Organization (SGO) is our school partnering with?

A: Our school is partnering with ACE Scholarships. For more than 25 years, ACE has worked to expand educational opportunities, helping parents choose the learning environment that best meets their child's unique needs. Their innovative technology, proven track record, and knowledge in this arena will help our school generate life-changing scholarships for our current and future students and families.

TO LEARN MORE ABOUT THE EDUCATION FREEDOM TAX CREDIT, VISIT:
https://www.ed.gov/media/document/education-freedom-tax-credit-fact-sheet-113147.pdf

SAGE ACADEMY
An Acton Academy Affiliate
SPARK



Turn Your Tax Liability Into Scholarships For Our School!

working in partnership with ACE scholarships



WHAT IS THE EDUCATION FREEDOM TAX CREDIT (EFTC)?

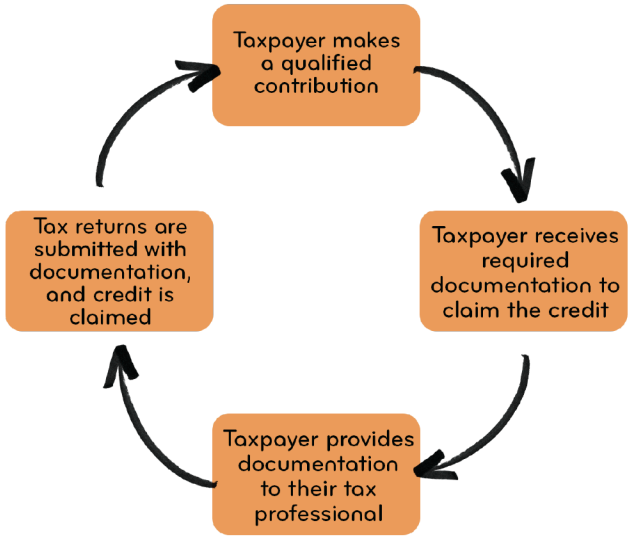
Beginning in January 2027, this new federal tax credit can empower families in our community by funding scholarships that provide K-12 students access to our school and the educational services and support that best meet their learning needs. Donors receive a dollar-for-dollar federal tax credit (up to $1,700 for individuals, up to $3,400 for married couples filing jointly), making this a powerful way to strengthen our school's sustainability for free.

WHAT IT CAN MEAN FOR OUR SCHOOL

Imagine...if just 100 individuals participated in this free initiative, it would generate $170,000 of student support! There's never been an opportunity like this to help children reach their full potential and achieve their dreams through the power of a quality education, so the time to act is now!

How It Works:

1. Taxpayers make a qualified contribution.
2. Taxpayers receive required documentation to claim the credit.
3. Taxpayers provide documentation to their tax professional.
4. Tax returns are submitted with documentation, and credit is claimed.



SCHEDULE YOUR CONTRIBUTION NOW!

Visit the web address below today and set up your single or recurring payment options for up to $1,700/year (up to $3,400/year for married couples filing jointly). Payments will activate in 2027.

https://portal.acescholarships.org/donor?id=donate&partner=PAR0002535

A New Day for Education in America

While it might sound too good to be true, the EFTC is real, it's here, and it's unlike any funding opportunity we've ever seen before. Join us in transforming education in our community by scanning the code and scheduling your contribution now.

Questions?

Please check out our FAQ on back.

working in partnership with ACE scholarships