



Frequently Asked Questions - Donors:

1. Are the tax credits limited?

Yes. They are capped at \$75 million dollars per year.

2. Can a donor receive a federal deduction in addition to a state tax credit for the same donation?

No. The legislation specifically states that the donation is not eligible for the federal deduction in this case.

3. How does the donation process work?

- ✓ Create a MyTax.Illinois.gov account. You will need this to reserve your tax credit.
- ✓ Reserve your credit. Beginning on January 2, 2018, individuals and corporate donors will be able to reserve tax credits on a Department of Revenue website.
 - If approved, the donor will be given a contribution authorization certificate. The Department will contribution authorization certificates on a first-come, first-served basis based upon the date of the taxpayer's application for the certificate.
- ✓ Donate to *Empower Illinois*. After the certificate is received, the donor will have 60 days to make the donation to the Scholarship Granting Organization(s) of their choice. *Empower Illinois* is the SGO partner for the Diocese of Rockford.

Within 30 days, the SGO will provide the donor with a certificate of receipt indicating that a donation was made.

If a donor doesn't donate, rescinds their donation, or gives less than they indicated to the Department of Revenue, they will receive only a credit for the portion donated. All unused tax credits will be returned to the program until the cap is reached.

4. How long will the tax credits be available?

A taxpayer may take a credit under this act beginning on or after January 2, 2018. We are unsure of how long it will take to hit the \$75 million cap. Donors are encouraged to apply right away to be sure they are able to secure a credit.

5. Can I designate where I want my money to go?

Individuals may designate a school or group of schools to donate to.

Corporations may designate a Region or it can be distributed by percentage to all the Regions statewide.

6. Will all the tax credits and scholarships go to Chicago?

No. There are 5 Regions designated for this purpose in the State of Illinois. Region 1 is designated to Cook County. The other 4 Regions cover the rest of the state. Each region was given a designated percentage based on the proportion of non-public school enrollment in the region. The Diocese of Rockford sits in Region 2 and a small part of Region 3 (Sterling Area only).

Remember, individual donors may designate a school or group of schools to receive the scholarship money.