



HOW DONATING TO JCA CAN SAVE YOU MONEY ON YOUR ILLINOIS INCOME TAXES

What is the Illinois Tax Credit Program?

Illinois enacted the Invest In Kids Scholarship Tax Credit Program in 2017. This program offers a

75%
income tax credit

to individuals and businesses that contribute to qualified Scholarship Granting Organizations (SGOs) such as Empower Illinois. The SGOs then provide scholarships for students whose families meet the income requirements to attend qualified, non-public schools in Illinois.

All donations will go directly to JCA students in financial need in the form of 100%, 75%, or 50% scholarships depending on household size and family income.

To take advantage of this opportunity, visit mytax.illinois.gov to apply for the tax credit. **The steps below provide instructions for signing-up and activating your account once you receive your Letter ID.** Please contact info@empowerillinois.org for assistance.

Dear JCA Families and Friends,

The Illinois Tax Credit Scholarship Program is still very new and because of this we have had several people ask how donating to this scholarship, in the benefit of Joliet Catholic Academy, would be different than gifting directly to JCA. I thought it would be appropriate to answer these questions by giving examples to help you see the benefits of gifting to the Tax Credit Scholarship program.

For example, if someone in the 25% tax bracket gives a \$1,000 gift to JCA, the donor would receive a 25% deduction or \$250 off their taxes. If the same person donates \$1000 to JCA through the Tax Credit Program, they would receive 75 cents on the dollar tax credit, a credit of \$750 on their State income taxes.

You can see that the additional \$500 off your Illinois state income taxes is a great way to save money on your taxes and give an opportunity for low income families to receive an education from Joliet Catholic Academy.

With an Illinois income tax increase from 3.75% to 4.95%, Illinoisans that make \$100,000 would pay \$4,950 instead of the \$3,750 they paid last year. With this being said, donating to a cause you believe in, which would make-up some of the \$1,200 additional tax dollars, is a win-win.

Here is a further example regarding a corporation donation. According to the Tax Credit Scholarship Program, corporations cannot gift directly to a specific school like individual taxpayers, however, they can gift to specific regions; **JCA is in Region 3.** The funds would be distributed throughout that particular region for scholarship.

For example, if a corporation is taxed at 21% and they gift \$10,000 to JCA, a deduction of \$2,100 would be made on their taxes. If they made a gift to Region 3 through the Tax Credit Scholarship, they would receive \$7,500 credit towards their Illinois income taxes. This would be an additional \$5,400 in tax savings.

Please know that this program greatly helps Catholic education. **I urge you to ask your tax advisors about the Tax Credit Scholarship Program and how it could help you save more money.** *Donations must be made by April 1, 2018.*

Regards,

John Horn

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Request Letter ID at mytax.illinois.gov

- If you already have an account, enter your username and password to verify.
- If you do NOT have an account, click the 'Individuals' tab and follow the instructions. Your letter ID will be mailed within 7-10 days.

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After you receive your letter ID

- Activate your account at mytax.illinois.gov "Sign Up Now."
- Reserve your credit (when reserving select Empower Illinois as the Scholarship Granting Organization).

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Visit www.empowerillinois.org to MAKE YOUR DONATION

- Individuals will direct their donations to the school or schools of their choice (make sure you select Joliet Catholic Academy).
- However, when reserving a tax credit with the IL Department of Revenue, donors will need to select the region in which their designated school or schools are located in (JCA is in Region 3).
- After donating, donors will receive a certificate of receipt from the Empower Illinois and the Department of Revenue will be notified that a donation was made.



To learn more about the Invest in Kids Act and Illinois Tax Credit Scholarships, please visit www.empowerillinois.org.

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1200 N. Larkin Avenue
Joliet, Illinois 60435

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PAID
Permit No. 174
Crystal Lake, IL

Joliet Catholic Academy's
Region 3 is earmarked for

\$9,970,000

of tuition assistance

for private schools.

\$8.9 million

of unclaimed tax credits
are still available!

Claim your tax credit
today and

**make a
difference**

in the lives of JCA students.