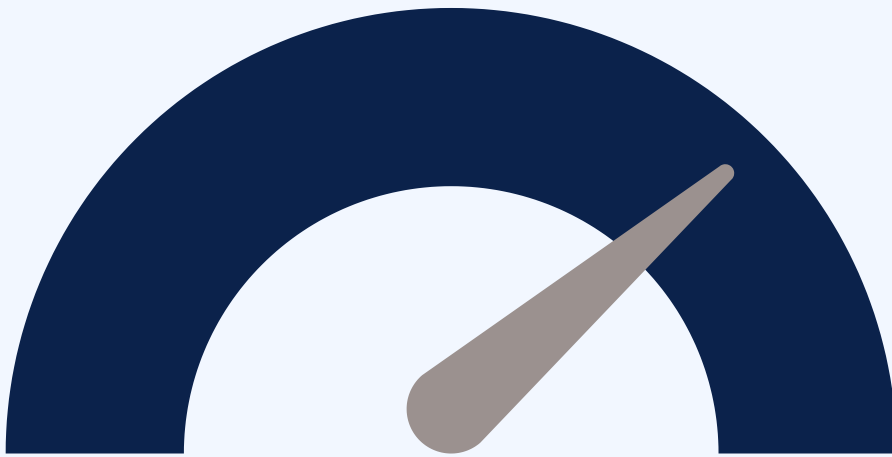




# TUITION ASSISTANCE

*Informational Packet*



**75%**

**OF MCS STUDENTS RECEIVE  
SCHOLARSHIP/TAX CREDIT  
FUNDING**

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## **Our Mission:**

***Partnering with Parents***  
*to provide a*  
***Quality Academic Education***  
*integrated with a*  
***Christian Worldview.***

### **WHAT'S INSIDE:**

*Tuition Assistance  
Options*

*School Tuition  
Organization  
Facts*

*STO Quick  
Reference*

*Tax Credit  
Resources*





# TUITION ASSISTANCE OPTIONS

## School Tuition Organizations (STOs)

- Funded by the AZ School Tuition Tax Credit program and provides both pool funds that are issued based upon criteria of each STO and recommended funds given in the name of a student or school by donors.
- If Qualified, you may receive funds from 3 separate pools of donated funds.
  - Original Tax Credit
  - Overflow/Plus/Switcher Tax Credit
  - Corporate Tax Credit
- Some pools of donated funds require specific qualifications such as switching from public to private school, student entering kindergarten, or the family income level.
- AZ Taxpayers may donate up to \$2435 (married filing jointly) or \$1219 (single taxpayer) for the 2021 year (up until April 15, 2022) and receive dollar for dollar credit toward their AZ state tax liability. (Tax Credit Maximums change yearly, check with the office or [www.acsto.org](http://www.acsto.org) for the most updated maximums)
- Donors may direct their tax dollars to a specific school or recommend a specific student to receive the funds as a tuition credit. (STOs cannot award, restrict, or serve scholarships solely on the basis of donor recommendation, however the recommended student is considered for the scholarship.)
- Parents are highly encouraged to apply when their child is entering kindergarten and can apply as soon as applications are open for the year your student is entering kindergarten.

## AAA Scholarship Foundation

AAA offers state-authorized scholarships of up to \$5800 for Grades K-8 to pay for tuition at eligible schools. The qualifications are income based and the application process takes time and attention to detail. The scholarship runs on a 3 year cycle, anyone approved, will be guaranteed the scholarship for 3 consecutive years as long as renewal paperwork is completed each year. The main caveat to this scholarship is, students cannot accept other STO funding while accepting AAA, the remaining balance between the tuition cost and the scholarship coverage will have to be paid out of pocket by families. Applications open in March yearly and it is best to apply early, visit [www.aaascholarships.org](http://www.aaascholarships.org) for more information.

## Empowerment Scholarship Account (ESA)

The Empowerment Scholarship Account (ESA) program is an account administered by the Arizona Department of Education that is funded by state tax dollars to provide educational options for qualified Arizona students. By opting out of the public school system, parents can seek a range of alternative educational services, such as private school or home-based education, to tailor an individualized educational plan that is best for their child. The ESA program is not affiliated with any services, providers, vendors or websites, please ensure you are referring to their website and documents for direction. (<http://www.azed.gov/esa/>). This program has limited qualifications such as the student must have an IEP, an active duty military parent, be adopted or in foster care, live on a Native American Reservation, or be the sibling of a student already receiving ESA funds. For more information on eligibility go to: [www.azed.gov/esa/eligibility-requirements/](http://www.azed.gov/esa/eligibility-requirements/)

# SCHOOL TUITION ORGANIZATION FAQs

## How do I apply for a scholarship from an STO?

The application process and submission deadlines vary by STO. Most STOs have an online application and/or portal to submit apps. CCSTO uses paper applications which are available in the MCS office or on CCSTO's website at [www.ccsto.org](http://www.ccsto.org). The state of Arizona requires the applicant to submit certain financial information as part of the application process. A new application is due each year, however most STOs have a shortened renewal application.

## What factors are considered when awarding a scholarship?

Each STO sets their own criteria. These may include, but are not limited to: financial need, merits of the student, scholastic ability, leadership, community involvement, other family needs (e.g. financial, health, employment) and donor recommendations.

## How does the donor recommendation process work?

A donor may specify a particular school or student on the STO donation form. A donor may not make a recommendation on behalf of their own dependent. STOs cannot award, restrict, or serve scholarships solely on the basis of donor recommendation.



## *Who should I ask to redirect their tax dollars as a donor recommendation?*

Family Members Residing in AZ  
Neighbors & Friends  
Church Community Members  
Social Circles & Clubs  
Work Associates  
Volunteer Group Members  
Service Providers  
Medical Providers



Most STOs have resources like sample donation request letters on their websites.



# SCHOOL TUITION ORGANIZATION FAQs

## STO CREDITS AT A GLANCE

### Original Individual Income Tax Credit (credit form 323)

Credit Amount	Scholarship Guidelines	Scholarship Prerequisites
<u>Tax Year 2021 Cap</u> <ul style="list-style-type: none"> <li>• \$611 single filers</li> <li>• \$1,221 married filing joint filers</li> </ul>	<ul style="list-style-type: none"> <li>• K-12 students</li> <li>• Preschool students with disabilities</li> <li>• STO cannot award scholarship solely based on donor recommendations</li> <li>• STO shall consider financial need when awarding scholarships</li> <li>• No scholarship cap</li> </ul>	<ul style="list-style-type: none"> <li>• A preschool student with disabilities must have an MET or IEP from an Arizona public school (a 504 plan does not meet the requirement).</li> </ul>
<u>Tax Year 2022 Cap</u> <ul style="list-style-type: none"> <li>• \$623 single filers</li> <li>• \$1,245 married filing joint filers</li> <li>• Taxpayer may donate through April 15<sup>th</sup> * and count donation as tax credit in the preceding tax year.</li> </ul>		

### Switcher Individual Income Tax Credit (credit form 348)

Credit Amount	Scholarship Guidelines	Scholarship Prerequisites
<ul style="list-style-type: none"> <li>• Taxpayer <b>MUST FIRST</b> donate the maximum credit amount for the original individual income tax credit before the switcher credit can be claimed.</li> </ul>	<ul style="list-style-type: none"> <li>• K-12 students</li> <li>• Preschool students with disabilities</li> <li>• Priority given to students and siblings of students on the STO's waitlist</li> <li>• STO shall consider financial need when awarding scholarships</li> <li>• No scholarship cap</li> </ul>	<p>Student must meet ONE of the following prerequisites:</p> <ul style="list-style-type: none"> <li>• Student attended an Arizona public school as a full-time student for at least 90 days of the <u>prior fiscal year</u> and then transferred from the public school to a private school; <b>OR</b></li> <li>• Is enrolling or currently enrolled in a private school kindergarten; <b>OR</b></li> <li>• Is enrolling or currently enrolled in a private preschool program for students with disabilities (preschool students must have an MET or IEP from an Arizona public school; a 504 does not meet the requirement); <b>OR</b></li> <li>• Is a dependent of a member of the armed forces of the United States who is stationed in Arizona pursuant to military orders (preschool students must also have an MET or IEP from an Arizona public school; a 504 plan does not meet the requirement); <b>OR</b></li> <li>• <b>Received</b> a switcher individual scholarship under one of the above criteria in a prior year and the child continued to attend a private school in subsequent years; <b>OR</b></li> <li>• <b>Received</b> a <u>low-income corporate</u> scholarship or a <u>disabled/displaced corporate</u> scholarship in a prior year and the child continued to attend a private school in subsequent years.</li> </ul>
<u>Tax Year 2021 Cap</u> <ul style="list-style-type: none"> <li>• \$608 single filers</li> <li>• \$1,214 married filing joint filers</li> </ul>		
<u>Tax Year 2022 Cap</u> <ul style="list-style-type: none"> <li>• \$620 single filers</li> <li>• \$1,238 married filing joint filers</li> <li>• Taxpayer may donate through April 15<sup>th</sup> * and count donation as tax credit in the preceding tax year.</li> </ul>		

\*Pursuant to A.R.S. §43-241 the Department of Revenue has the authority to extend the deadline for filing the tax return and in turn the donation due date. Please refer to the appropriate tax year return instructions to verify the donation due date.

# SCHOOL TUITION ORGANIZATION FAQs

## Low-Income Corporate Income Tax Credit (credit form 335)

Credit Amount	Scholarship Guidelines	Scholarship Prerequisites
<ul style="list-style-type: none"> <li>• Donation pre-approval required.</li> <li>• No limit on how much a single corporation can donate – except total credit limit.</li> <li>• S-corps must make a minimum aggregate contribution of \$5,000 during their taxable year (sum of both corporate programs).</li> </ul> <p><u>Credit Limit</u> <u>Fiscal Year 2020/2021</u></p> <ul style="list-style-type: none"> <li>• Total credits allowed limited to \$123,042,188</li> </ul> <p><u>Fiscal Year 2021/2022</u></p> <ul style="list-style-type: none"> <li>• Total credits allowed limited to \$135,346,407</li> </ul>	<ul style="list-style-type: none"> <li>• K-12 students</li> <li>• Preschool students with disabilities</li> <li>• Student's family income cannot exceed 185% of the income required to qualify a child for reduced price lunches.</li> </ul> <p><u>Academic Year 2020/2021</u> Scholarship cap:</p> <ul style="list-style-type: none"> <li>• \$5,600 for grades K-8 and preschool students with disabilities</li> <li>• \$6,900 for grades 9-12</li> </ul> <p><u>Academic Year 2021/2022</u> Scholarship cap:</p> <ul style="list-style-type: none"> <li>• \$5,700 for grades K-8 and preschool students with disabilities</li> <li>• \$7,000 for grades 9-12</li> </ul>	<p>Student's family income <u>cannot</u> exceed 185% of the income required to qualify a child for reduced price lunches <b>AND</b> student must meet ONE of the following:</p> <ul style="list-style-type: none"> <li>• Student attended an Arizona public school as a full-time student for at least 90 days of the prior fiscal year or one full semester and then transferred from the public school to a private school. Those students who transfer to a qualified school after the first full semester are eligible to receive a scholarship that same academic year; <b>OR</b></li> <li>• Is enrolling or currently enrolled in a private school kindergarten; <b>OR</b></li> <li>• Is enrolling or currently enrolled in a private preschool program for students with disabilities (preschool students must have an MET or IEP from an Arizona public school; a 504 plan does not meet the requirement); <b>OR</b></li> <li>• Is a dependent of a member of the armed forces of the United States who is stationed in Arizona pursuant to military orders (preschool students must also have an MET or IEP from an Arizona public school; a 504 plan does not meet the requirement); <b>OR</b></li> <li>• <b>Received</b> a low-income corporate scholarship under one of the above criteria in a prior year and the child continued to attend a private school in subsequent years; <b>OR</b></li> <li>• <b>Received</b> an <u>original individual</u> scholarship or a <u>switcher individual</u> scholarship in a prior year and the child continued to attend a private school in subsequent years.</li> </ul>

## Disabled/Displaced Corporate Income Tax Credit (credit form 341)

Credit Amount	Scholarship Guidelines	Scholarship Prerequisites
<ul style="list-style-type: none"> <li>• Donation pre-approval required.</li> <li>• No limit on how much a single corporation can donate – except total credit limit.</li> <li>• S-corps must make a minimum aggregate contribution of \$5,000 during their taxable year (sum of both corporate programs).</li> </ul> <p><u>Fiscal Year Credit Limit</u></p> <ul style="list-style-type: none"> <li>• Total credits allowed limited to \$5,000,000</li> </ul>	<ul style="list-style-type: none"> <li>• K-12 students</li> <li>• Preschool students with disabilities</li> <li>• The SUM of a student's DD scholarships is limited to 90% of state aid or cost of tuition, whichever is less.</li> </ul>	<p>Student must meet ONE of the following prerequisites:</p> <ul style="list-style-type: none"> <li>• Student has a MET or IEP from an Arizona public school (for preschool and grades K-12); <b>OR</b></li> <li>• Has a 504 plan from an Arizona public school (for grades K-12 only); <b>OR</b></li> <li>• Was placed at one time in the Arizona foster care system (for grades K-12 only and will be verified with the Arizona Department of Economic Security).</li> </ul>



# STO QUICK REFERENCE

We encourage all families seeking tuition assistance to contact each individual organization for their specific requirements, deadlines, and/or applicable fees - their websites and offices have the most up-to-date and accurate information available.

STO	Open Date	Phone Number	Website
<b>ACSTO</b> Arizona Christian School Tuition Organization	2/3/2022	480-820-0403	<a href="http://www.acsto.org">www.acsto.org</a>
<b>ALF</b> Arizona Leadership Foundation	4/18/2022	602-525-7355	<a href="http://www.arizonaleader.org">www.arizonaleader.org</a>
<b>ATC</b> Arizona Tuition Connection	Mid Feb 2022	480-409-4106	<a href="http://www.arizonatuitionconnection.com">www.arizonatuitionconnection.com</a>
<b>CCSTO</b> Cochise Christian School Tuition Organization	March 2022	520-456-4961	<a href="http://www.ccsto.org">www.ccsto.org</a>
<b>IBE</b> Institute for Better Education	2/1/2022	520-512-5438	<a href="http://www.ibescholarships.org">www.ibescholarships.org</a>
<b>SCA</b> School Choice Arizona	3/1/2022	480-722-7502	<a href="http://www.schoolchoicearizona.org">www.schoolchoicearizona.org</a>
<b>TOPS</b> TOPS for Kids	May 2022	480-414-8677	<a href="http://www.topsforkids.org">www.topsforkids.org</a>

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<b>ESA</b> Empowerment Scholarship Account	Accept Apps Year Around	602-364-1969	<a href="http://www.azed.gov/esa/">www.azed.gov/esa/</a>
<b>AAA</b> AAA Scholarship Foundation	March 2022	888-707-2465	<a href="http://www.aaascholarships.org">www.aaascholarships.org</a>

- ESA & AAA funding cannot be combined with any STO Funding.





# TAX CREDIT RESOURCES

## HOW TO WRITE A STUDENT NARRATIVE FOR THE ACSTO APPLICATION

We want to make this step in the application process easy for you. Below are some **helpful suggestions** to get you started.

### KEEP IN MIND

- We do take the **age of the child** into consideration.
- **Two to three paragraphs** are sufficient.
- Each year when you reapply to ACSTO, you will need to rewrite the Narrative. For this reason, we recommend that you type and **save it in a Word document**, then copy and paste it into the online application. Having a saved copy will make it easier when you apply the following year.

### TALKING POINTS

*These are just suggestions — you do not have to include all of this information.*

- **Brag about your child.** Provide a snapshot of your child so we have an opportunity to “know” him/her.
- **Share why you want your child to attend a Christian School.** How have you seen it impact them? What do you hope they will gain from a Christian Education? Consider sharing how it has impacted your family.
- **Discuss your student’s character traits and how you see your child demonstrate them.** What does your child like to do? What are their hobbies? Are they involved in any extracurricular activities? What household chores are they responsible for?
- **Discuss your child’s involvement at church.** Are they involved in a student program or Bible study program? Do they volunteer? Have they made the decision to accept Jesus Christ as their personal savior?
- **What are their favorite subjects at school and why?** Are they on the honor roll? Have they made improvements in their grades? What type of awards have they received at school?

Most applications will require a narrative. This is a time to talk up your student. Talk about their hobbies, interests, academics, sports, church involvement, etc. Also talk about why you would like them in private school.

**Still have questions?** Don’t hesitate to contact us at 480.820.0403 or [social@acsto.org](mailto:social@acsto.org).

**ACSTO**  
Arizona Christian School Tuition Organization

**More  
Resources**



For more tax credit resources, visit [www.acsto.org](http://www.acsto.org)