

Dear GASSO Partner Schools,

I am pleased to inform you HB325 was signed by Governor Deal last Thursday. This law makes some changes to the private school tax credit program outlined below.

1. An eligible student now is defined as “‘Eligible student’ means a student who is a Georgia resident enrolled in a Georgia secondary or primary public school or eligible to enroll in a qualified first grade, kindergarten program, or pre-kindergarten program; provided, however, that if a student is deemed an eligible student pursuant to this paragraph, he or she shall continue to qualify as such until he or she graduates, reaches the age of 20, or returns to a public school, whichever occurs first.” **Therefore, once a student participates in the program they will continue to be eligible until age 20 and parents will no longer have to “enroll” them in the local public school system once per school year.**
2. The bill has set a cap on the amount a student may receive yearly as an award. The amount is based on the total expenditures by the state for a public school student. This figure will be provided by the Department of Education no later than January 1. We’ve estimated this figure for 2011 to be approximately \$11,000.
3. The \$50 million credit cap will be adjusted annually until 2018 based upon the annual percentage change in the consumer price index (CPI). If the CPI increases 4%, then the total credit limit will increase by the same amount.
4. GA Department of Revenue will provide two new areas for this program. First they will post on their website an ongoing list of available tax credits for the program. Secondly, GADOR will establish a web-based approval system, which will notify both the donor and the SSO of the donor’s approval. **Once this system is in place, donors will be able to apply online to make a donation and will not need to have any type of notarized form for the SSO to process.**

4. Once a donor is approved to make a donation, the donor will have up to 60 days (or the end of the calendar year) to make the approved donation to the SSO.

These changes make it easier for the donor to track the amount of credits available, apply for approval for a donation and take up to 60 days to make their donation. The law also clearly states once a student is eligible for the program, they are always eligible (up to age 20).

If you would like to read the entire bill, please follow this link:

http://www1.legis.ga.gov/legis/2011_12/fulltext/hb325.htm

If you have any question, please feel free to call or email.

Sincerely,

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