



# SCHOLARSHIPS FOR EDUCATION CHOICE

at SAGAMORE INSTITUTE

## Tax Credit Scholarship Eligibility

A Guide for Applicants 2023-2024

The statute authorizing the Indiana School Scholarship Tax Credit Program, requires an eligible scholarship recipient to be:

- A resident of Indiana
- At least four (4) and less than twenty-two (22) years of age and enrolled in a participating school\*
- A member of a household with an annual gross income (AGI) of 400% or less of the amount required to qualify for the federal free or reduced meal program (see table)

Eligibility Guidelines 2023-2024	
Household Size	Income Limit
1	\$107,892.00
2	\$145,928.00
3	\$183,964.00
4	\$222,000.00
5	\$260,036.00
6	\$298,072.00
7	\$336,108.00
8	\$374,144.00
Each Additional	\$38,036.00

### How are applications submitted?

Once your child has enrolled at a participating school, the school will provide you with a link to our online application. Simply fill out and submit the online application for the 2023-2024 school year.

In order to approve scholarships, we require that each applicant indicate the number of individuals living in their household and provide evidence that the household income meets the thresholds.

### How is income verified?

**The applicant must submit documentation from ONE of the options below.**

- If your school uses a third-party vendor to collect household income documentation to evaluate financial need (i.e., FACTS) and you have submitted all required information, you will not need to provide us with additional documentation.
- Copy of Federal 1040 for ALL members of a household. MUST be for the taxable year IMMEDIATELY preceding the date the scholarship application was submitted. *Tax returns should be for 2022 when applying for the 2023-24 academic year.*
- If you do not file a 1040 then we can utilize an assurance form with documentation of income (copy of participation cards for TANF or Food Stamps/SNAP, benefit statements from other sources of income).

### How do we determine household size?

When using the table at the top of this page, include the income of anyone living in the household at the time of application (parents or legal guardians, children, grandparents, other relatives and unrelated individuals, including foster children). If the applicant is a foster child, written proof automatically qualifies the child for the scholarship.

### How are the scholarships awarded?

The scholarships are funded by private donations. If you meet the income thresholds and the application is approved, we will work with the school to determine scholarship amounts based on available funds. The scholarship funds are paid directly to the school and applied to your tuition account.

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IS A PROGRAM OF SAGAMORE INSTITUTE

## Frequently Asked Questions

**What if we received 401k payments?** The income determination is based on your adjusted gross income, which *would include* any taxable disbursements from a retirement or 401k account.

**What if wages were garnished?** Because the total household income is based on the adjusted gross income, there are not allowances made for wage garnishments that may impact net pay.

**What if we have had a significant change in income that is different than what is reported on our most current 1040?** We understand that a job loss or other circumstance may result in an income that is different than your previous year's tax return would reflect. You may submit proof of your current annual income to your school and ask them to fill out the necessary form to document that change. Depending on the circumstances this may have to wait until the end of the calendar year or when the next year's 1040 becomes available.

**What if we move in the middle of the school year?** If you received an SGO scholarship and you transfer in the middle of the year to another eligible school, the unused portion of your scholarship will not be transferred to the new school.

**What if I go to a different eligible school next year?** If you are granted an SGO scholarship, we can provide documentation to the new school (upon request) that you received an SGO scholarship in a prior year.

**What if I have joint custody of children but they aren't included on my 1040?** We need to know the number of people *actually living in your household the majority of the time*, and we understand that is sometimes different than the number of people claimed on your tax return. We will work with the school if additional documentation is required.

**Who determines the award amount?** The award amount is determined by the school, consistent with their financial assistance policies. We work with the school to verify that students are eligible and to ensure that scholarships are awarded in a manner that does not discriminate.

**How do I find out if my child received a scholarship?** The school will be your primary contact throughout the process. They will provide the application link to you, collect your financial information and communicate with you if a scholarship is awarded.

**Are vouchers and tax credit scholarships the same?** No. The Choice Scholarship Program, (commonly referred to as the voucher program), provides state funded scholarships to eligible Indiana students to offset tuition costs at participating schools. Tax credit scholarships (also called SGO scholarships) are funded by private, charitable donations and awarded by a certified Scholarship Granting Organization (SGO).

**Can a student who receives a tax credit scholarship also receive a Choice Scholarship?** Yes. A student who meets the requirements for a Choice Scholarship may also qualify for a tax credit scholarship in the same year provided that the combination of the two does not exceed tuition and fees. SGO awards can fund preschool students who are 4 years old by August 1 but Choice Scholarships (vouchers) cannot fund preschool students.