



Georgia Tuition Tax Credit Program: Donor Administration Summary

Arete Scholars Fund is a Georgia nonprofit that awards K-12 scholarships to low-income children	<p>The Georgia Tuition Tax Credit Scholarship Program enables any company that pays Georgia corporate income tax to receive a dollar-for-dollar tax credit for donations to a registered student scholarship organization (SSO). A company may contribute up to 75% of its state tax liability to an SSO that provides K4-12 education scholarships.</p> <p>Arete Scholars Fund, Inc. (Arete) is an independent 501(c)(3) nonprofit organization and approved SSO in Georgia. Arete distributes need-based scholarships to eligible students based on the income guidelines for the Federal Free and Reduced Lunch Program. Students from low-income families may receive a scholarship of \$2,900 to \$5,800 to attend the accredited private school of their choice.</p>
Reserve your tax credit	<p>Participation is easy and fully budget neutral. Simply complete and submit the two-page tax credit pre-approval form required by the Georgia Department of Revenue. The DOR will provide notice of approval within 15 days. The approval process does not obligate a company to remit the funds, but merely ensures that the annual program maximum of \$50 million in tax credits is not exceeded.</p>
Remit your payment	<p>After the Georgia DOR grants approval, a company may remit payment directly to Arete within 60 days of the date printed on the DOR approval notice and within the approved calendar year. Payment may be made via check or wire. A company may apply for multiple credits during the year, up to a maximum of 75% of its state income tax liability. Many companies prefer to make quarterly donations along with their quarterly estimated tax payments.</p>
Request an invoice	<p>At the company's request, Arete will issue an invoice to expedite the remittance process through the company's accounting department. Contact an Arete representative or email info@aretescholars.org to request an invoice. Invoices will include Arete's legal name, address, tax identification number and wiring instructions.</p>
Receive official acknowledgement	<p>After receiving a remittance, Arete will promptly return an acknowledgement to the donating company (Form IT-QEE-SSO1). The company must file both forms (IT-QEE-SSO1 and DOR pre-approval letter) with its state tax return.</p>
Claim the credit	<p>A company calculating its estimated tax payments based on projected income could be able to reduce the amount of estimated payments based on its anticipated donation. The remittance is treated as a credit against state income tax and is reported on Line 3 of Schedule 3 and is also shown on Schedule 9.</p>
Carry it forward	<p>If a company determines that it has insufficient tax liability to claim the full credit (donation amount is greater than 75% of net tax liability), any unused credit may be carried forward for up to five (5) years.</p>
Why Arete?	<p>Arete Scholars Fund enables low-income Georgia students to reach their highest potential by providing families with greater access to high-quality educational opportunities. With our need-based, family-focused and fiscally responsible approach to the Georgia Tuition Tax Credit Scholarship Program, Arete is supported by world-class organizations like The Home Depot, Walgreens, Newell Rubbermaid, Waste Management, Balfour Beatty Construction, The Walton Family Foundation, and others.</p>