



The Federal Scholarship Tax Credit: Support Students at No Cost to You

Starting **January 1, 2027**, a new federal law provides an historic opportunity to support Catholic education by redirecting a portion of your federal taxes directly to student scholarships.

What is it and how does it work?

- **Dollar-for-Dollar Credit:** This is a **100% tax credit**, not just a deduction. For every dollar you contribute to a Scholarship Granting Organization (SGO), your federal tax bill is reduced by that same amount.
- **Credit Limits:** Every individual who pays federal tax can receive a credit of up to **\$1,700** (or **\$3,400 for married couples** filing jointly).
- **No Out-of-Pocket Cost:** Because the contribution reduces your tax liability dollar-for-dollar, you are simply "redirecting" money you already owe the IRS to support local students.
- **Generous Eligibility:** Scholarships serve students from households with an income up to **300% of their county's median income**.

An Urgent Call to Action: Contact Governor Hochul

For families to benefit from this program, the State of New York must "opt-in". Visit <https://bit.ly/2026FSTC> to contact Governor Hochul and urge her to opt-in to the FSTC.

- **Annual Requirement:** The state's participation is not permanent; the Governor must choose to opt-in on an **annual basis**.
- **Urgent Advocacy:** It is critical that we contact Governor Hochul now to urge her to opt-in for the 2027 tax year.
- **Keeping Dollars in New York:** If New York does not opt-in, donations from New Yorkers can still be made to SGOs in other states, meaning our tax dollars would leave New York to support students elsewhere.

How to Support Long Island's Catholic Schools

While federal law prevents donors from directing a scholarship to a *specific child*, you have the power to choose which community benefits:

- **Designate Our School:** When you contribute, you can direct the SGO to send your donation to a **specific diocese or even a specific school**.
Timeline: The credit becomes claimable for the **2027 tax year** (filed in 2028).

This is a "win-win" for our families and parish communities. By contacting Governor Hochul and participating in this program, you can ensure your tax dollars stay local to support a child's Catholic education.

