



# Illinois Kids Campaign

## FINANCIAL DETAILS & IMPACT

### Tax Credits - Personal

- **Increase in maximum allowed under the Education Expense Credit from \$500 to \$1,000**
- \$250 teacher out-of-pocket expense credit

### Tax Credits - Individual and Corporate

- A 100 percent non-refundable tax credit for donations to:
  - Public schools for education technology, music, arts, sports programs, and facilities costs
  - District or public school foundations
  - Non-profit organizations that provide education-related supplemental services to public schools
  - **Scholarship granting organizations that provide scholarships to low- and middle-income students to attend private or Catholic schools or schools outside their district**

### Credit Cap

- Teacher Expense Credit and Education Expense Credit are uncapped
- Tax credits for donations are capped at \$200 million
  - \$50 million for donations to public schools for education technology, music, arts, and sports programs; district or public school foundations; and nonprofit organizations that provide education-related supplemental services
  - \$50 million for donations to public schools for facilities costs

- \$100 million for donations to scholarship organizations
- If donations to any of these reach 90 percent of their caps, they grow by 25 percent the following year

### Credit Allocation

- Tax credits for donations to public schools for education technology, music, arts, and sports programs; district or public school foundations; and nonprofit organizations that provide education-related supplemental services are allocated by appellate court districts according to public school enrollment

- District #1: \$25 million
- District #2: \$18.6 million
- District #3: \$9.3 million
- District #4: \$5.7 million
- District #5: \$6.4 million



- Tax credits for donations to scholarship granting organizations are allocated by appellate court districts according to nonpublic school enrollment

- District #1: \$50.4 million
- District #2: \$25.2 million
- District #3: \$9.8 million
- District #4: \$7.3 million
- District #5: \$7.3 million

- If the credit cap in a district is not reached by November 1, the remaining tax credits are released statewide and are available on a first-come, first-serve basis

### Fiscal Impact

- \$250 teacher out-of-pocket expense credit
  - $\$250 \times (130,000 \text{ public school teachers} \times .50) = \mathbf{\$16 \text{ million}}$

- Increase in maximum allowed under the Education Expense Credit from \$500 to \$1,000
  - $\$81 \text{ million} \times .05 = \mathbf{\$4 \text{ million}}$
- \$50 million for donations to public schools for education technology, music, arts, and sports programs; district or public school foundations; and nonprofit organizations that provide education-related supplemental services
  - **\$50 million**
- \$50 million for donations to public schools for facilities costs
  - **\$50 million**
- \$100 million for donations to scholarship organizations
  - **\$75 million**
    - \$10 million in savings by allowing private school students to stay in their schools
    - \$7.5 million savings resulting from difference between average scholarships in a district and previous state support of the student
    - \$7.5 million in savings resulting from delayed future construction costs
- $\$16 \text{ million} + \$4 \text{ million} + \$50 \text{ million} + \$50 \text{ million} + \$80 \text{ million} = \mathbf{\$200 \text{ million}}$