



It's Time to Raise the Cap

KEY MESSAGES

The best way to support and expand the Opportunity Scholarship Fund (OSF) is for schools administrators, parents and donors to tell legislators how they feel about the organization and scholarships. OSF advocates should use these key messages and talking points.

When talking to community leaders or legislators, share how OSF or its scholarships have personally impacted you.

About the Opportunity Scholarship Fund

- The OSF provides life-changing opportunities to lower-income students who would not normally receive a pathway to specialized education.
- OSF offers scholarships to students in grades K-12, with 82% of scholarship going to lower-income Oklahoma families.
- Participating donors and sponsors are eligible for state income tax credits and, if taxpayers itemize their deductions, a charitable contribution deduction.
- Under Oklahoma's tax credit scholarship program, a tax credit of 50 percent is offered for donations to a Scholarship Granting Organizations (SGOs) such as OSF, and a 75 percent tax credit, if the donor is willing to pledge equal amounts for two consecutive years. Credits are capped at \$100,000 for qualified business entities, \$2,000 for taxpayers filing a joint tax return and \$1,000 for individual tax filers.

Bills to Support

- In the 2018 legislative session, OSF is asking for support and passage of two pieces of legislation: [House Bill 3537](#) and [Senate Bill 1384](#).
- These bills will raise the tax credit cap for donations to scholarship granting organizations from \$3.5 million to \$10 million.
- Passage of these bills would ensure donors will continue to receive the credit incentive and increase the number of scholarships OSF can provide to Oklahoma families.

Why We Need to Raise the Cap

- OSF was notified in February 2018 that the state's scholarship granting organizations exceeded the tax credit cap for 2017.
- The tax credits for donors will be 86.5 percent of the amount of credit earned with their 2017 donation. Raising the cap will allow donors to continue to receive their full tax credit benefit for their donation in future years.
- DONORS: Share how this will impact you/your future donations.

Raising the Cap Helps the State's Budget

- A [study conducted by two Oklahoma City University economists](#) in 2017 revealed that for every \$1 of tax credit issued to scholarship donors, Oklahoma's state fiscal budget saved \$1.24.
- **Raising the cap will save the state over \$4 million!** The fiscal impact to the state is determined by the tradeoff of tax revenue from issuing tax credits and the state's per-pupil expenditures for common education that gets reduced when a family decides to send a child to an educational establishment other than a public school.
- Oklahoma's tax credit scholarship program is good for Oklahomans and good for the state budget!