



It's Time to Raise the Cap

KEY MESSAGES

The best way to support and expand the Opportunity Scholarship Fund (OSF) is for school administrators, teachers, 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

- OSF provides life-changing opportunities to lower-income students who might not otherwise receive a pathway to specialized education.
- OSF offers scholarships to students in grades K-12, with more than 80% of scholarship going to lower-income Oklahoma families.
- Participating donors and sponsors are eligible for state tax credits and charitable contribution deductions when taxpayers itemize their deductions.
- Under Oklahoma's 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 for equal pledge 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 2019 legislative session, OSF will be watching several pieces of legislation, including [Senate Bill 180](#), [Senate Bill 407](#) and [House Bill 2621](#).
- These bills will help ensure donors continue to receive the tax credit incentives and increase the number of scholarships we can provide to lower-income Oklahoma families.
- Each of these bills is an independent effort to raise the tax credit cap for donations from \$5 million to at least \$25 million.

Why We Need to Raise the Cap

- OSF was notified in February 2018 that the state's SGOs exceeded the tax credit cap for 2017.
- The tax credits for donors were prorated to 86.5 percent of the amount of credit earned with their 2017 donation (the remaining 13.5% is eligible to be taken by the donor in 2018's tax filing). Raising the cap will allow donors to continue to receive the full tax credit benefit for their donation in the year they make their donation in years after the tax credit cap is raised.
- DONORS: Share how this will impact you/your future donations.

Raising the Cap Helps the State's Budget

- An updated [study conducted by Oklahoma City University economists](#) in 2018 revealed for every \$1 of tax credit issued to donors, the Oklahoma state budget saved \$1.39, a 15-cent increase from 2017 results.
- Looking ahead to fiscal year 2019, with additional state funding for teachers' compensation and classroom funding, the fiscal return to the state is expected to be \$1.51 of savings for every \$1 of tax credit issued; \$3.16 from all funding sources.