



## The Right take on higher education.

By Robert VerBruggen March 1, 2013

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It's not often that I agree with the folks at the Cato Institute on anything having to do with this topic, but they are correct that the Washington Post doesn't know how a tax credit works. The paper writes:

Call it welfare for the rich. Why? Wealthy businesses and individuals are the folks who get the tax credits for putting up the cash to pay the tuition.

Actually, the people who put up the cash don't benefit financially. They are reimbursed — at most — dollar-for-dollar for their “donations” via tax credits. School-choice tax credits are a ridiculous shell game that allows businesses to redirect their tax dollars to a cause that lawmakers are too cowardly to fund directly, but the businesses don't actually make money off of it.

UPDATE: Thanks to Jason Bedrick, the author of the Cato post linked above, for pointing out that not all school-choice credits are dollar-for-dollar. This characterized the one the Supreme Court upheld, but most of these programs offer less of a credit. I've adjusted the text to fix the error.