



Private school scholarships save money for Georgia taxpayers

November 26, 2016

New research from EdChoice finds that Georgia's scholarships for K-12 private school students have saved the state between \$12 million and \$85 million since 2011. Nearly two dozen states have similar tax credit scholarship programs that allow individuals or businesses to make charitable contributions to K-12 private school scholarship organizations. The nonprofit scholarship organizations award scholarships to eligible students and donors can take a credit on their state taxes that is equivalent to some or all of their donation.

EdChoice's findings come at an important moment for state families because the state Supreme Court is considering a challenge to the program. Two years ago, the Southern Education Foundation supported four Georgia residents' lawsuit to block state families from using the scholarships for their children. Recently, the Cato Institute filed an amicus brief in support of the scholarships.

"We urge the court to affirm the determination that the tax-credit program does not violate the state constitution, focusing on the fact that it does not involve spending public funds for any sectarian purpose," wrote Ilya Shapiro and David McDonald.

In Georgia, individuals and businesses can receive a dollar-for-dollar credit for their contribution to scholarship organizations up to certain limits (\$2,500 for a married couple and businesses can claim no more than 75 percent of their tax liability). Since 2010, scholarship organizations have awarded more than 60,000 scholarships for students to use at K-12 private schools.

Teacher unions, school board associations, and other associations regularly challenge parent and student educational options in court. Fortunately for families, courts have upheld tax credit scholarships around the country, without exception. The U.S. Supreme Court upheld the nation's oldest such scholarships, in Arizona, in 2011.

The decision paved the way for students like Gabe Alba-Rivera to discover opportunities he didn't know existed before his scholarship. In my 2014 interview with Gabe, he explains that he was born in Mexico and had little more than broken pieces of his school's roof to draw

hopscotch squares at recess. A bucket of water served two purposes when he used the bathroom—the first as his bathroom pass, the second to flush the toilet.

After moving to Arizona, Gabe used a tax credit scholarship—nearly identical to the scholarships available to thousands of students across Georgia—to attend Brophy Prep, where he was active in the school Robotics Club. Gabe earned a spot at MIT, where he studies 3-D printers.

Twenty-eight scholarship organizations serve Georgia families, and these groups awarded more than 13,000 scholarships last year. The state supreme court should uphold the lower court ruling and protect families' freedom to choose the best learning opportunity for their child.