Before the  
Department of Special Investigations  
Georgia Department of Revenue  
Georgia Revenue Commissioner  

A Report and Complaint on Tax Irregularities in Georgia’s Tax Credit Scholarship Program for Private Schools

In accordance with the Georgia Department of Revenue regulations, we are submitting this public report and complaint to the Department of Special Investigations and the State Revenue Commissioner on behalf of the Southern Education Foundation (SEF) concerning irregularities in tax matters in regard to the implementation of House Bill 1133, which was signed into law on May 14, 2008 by Governor Sonny Perdue establishing the Georgia Student Scholarship Organization (SSO) program.

Introduction

The Georgia law providing for tax credit scholarships for private schools has diverted more than $170 million from the state treasury during the last four years. Since passage, the statute has provided: “The tax credit shall not be allowed if the taxpayer designates the taxpayer’s qualified education expense for the direct benefit of any dependent of the taxpayer.” In addition, since the beginning of the tax credit program in 2008, regulations of the Georgia Department of Revenue (“Department”) have explicitly disqualified and barred any tax credit when it is directly or indirectly designated for any particular individual. The regulations state:

Designation of Contributions. A contribution directly or indirectly designated for a particular individual, whether such individual is a dependent of the taxpayer or not, is considered made to the individual and not to the SSO and as such is not eligible for the qualified education expense credit. This is consistent with the federal treatment of charitable contributions.

1 GA. Comp. R. & Regs. r. 560-5-2-.04.  
2 OCGA § 20-2A-1 –§ 20-2A-7; & OCGA § 48-7-29.16.  
3 OCGA § 20-2A-1(1).  
4 OCGA § 48-7-29.16(d).  
5 See Appendix A, GA. Comp. R. & Regs. r. 560-7-8-.47. The Department’s tax form that a taxpayer must complete in applying for this tax credit requires affirmation that the tax credit is not designated for any particular individual.
As of July 1, 2011, a prohibition against SSOs awarding or restricting “a scholarship to a specific eligible student at the request of the donor” was expressly incorporated into the Georgia Code of Laws.⁶

Also, the regulations of the Internal Revenue Service, as noted above in the Department’s rules, disallow any contribution as a federal tax deduction if it designates a specific individual.⁷

Despite these clear prohibitions, it appears that tens of millions of taxpayer dollars in Georgia have been unlawfully diverted from the state treasury through student scholarship organizations during the last four years. These private organizations are permitted by current Georgia law to solicit and receive diverted tax funds without making any public disclosure about their finances and activities. In association with a large number of affiliated private schools, SSOs have raised and received tax-diverted funds by assisting taxpayers (including current parents, relatives, and adult friends of private school students) to designate directly and indirectly the individual students who receive the benefits of the state tax credit. These tax credits are not valid, and this statewide practice is contrary to standing law.

Some student scholarship organizations have built their fundraising efforts to divert millions of dollars from the state treasury by convincing parents at private schools that it is entirely proper and lawful to participate in schemes that assure their own students (and other students they identify) will receive the benefit of their diverted tax funds. Other SSOs appear to condone private school practices designating who will benefit from state tax credits for scholarships.

Documents show that during the last four years at least 56 private schools have used various methods of directly and indirectly signifying individuals who will benefit from state tax credits. This pattern implicates perhaps as many as one out of every nine private schools that SEF has been able to identify as participants in this tax credit program. These schools are affiliated with virtually every major student scholarship organization in Georgia.

This number represents only those private schools for which SEF has discovered documentary evidence from the school’s own materials indicating wrongful practices. There

---
⁶ OCGA § 20-2A-7b(1).
⁷ See, for example, IRS Letter 2012-0042, released June 29, 2012
also are 57 additional private schools in Georgia apparently affiliated with two student scholarship organizations (Pay It Forward Scholarship Fund and Golden Dome Scholarship Fund) whose policies and practices necessarily involve the schools’ parents and other taxpayers in contributing tax credit contributions that designate, directly or indirectly, the beneficiary. The tax credit contributions taken at these schools through the procedures of these two SSOs are legally invalid under the Georgia tax code.

Therefore, the available documentary evidence in this report raises serious questions about the legality of state tax credits involving the student scholarship organizations that have raised the vast majority of the $170 million in tax funds diverted from the state treasury during the last four years and more than 113 specific private schools — almost one out of every four private schools participating in Georgia’s tax credit scholarship program.

The documents show differing arrangements that designate directly or indirectly the beneficiary of tax credit contributions. These techniques and procedures can be sorted into three types:

- **Contributions with identification of individual**: These procedures and forms for tax credit contributions enable the person contributing a tax credit to identify by name (including “to recommend” by name) a student for a tax credit scholarship.

- **Parents exchange/recruit contributions for their own children’s scholarships**: These are private school scholarship programs that permit, encourage, and/or require the families of students who wish to receive a tax credit scholarship to demonstrate that they have made tax credit contributions to the school and/or to identify all other persons (and, in some cases, their contribution amounts) whom the applicants and their families have recruited to make tax credit contributions to the school. Often the students receive an amount of scholarships that is reflected in the amount of tax credit contributions contributed and recruited.

- **Tuition rebate/reward for donating and recruiting contributions**: School fundraising drives in which students receive a rebate or discount on their tuition depending on how many and how much tax credit contributions they and their families generate for the school.
All of these methods and schemes involve SSOs and private schools encouraging and assisting taxpayers, especially private school parents and their friends, to provide tax credit contributions and, in effect, to return all or part of a tax credit contribution to help pay designated children’s private school tuition. These practices do not appear to be one-off events. The documents that SEF has assembled in the appendix of this report show that questionable, illegal practices and procedures have been maintained over a period of four years, and most, if not all, continue today.

This report to the Department of Special Investigations of the Georgia Department of Revenue and the State Revenue Commissioner begins with a review of documentation concerning the activities of specific student scholarship organizations that have been promoting and assisting private schools and private school parents to take unlawful tax credits. Next, the report spotlights some examples of the attached documentation concerning the activities of specific private schools that SEF has identified in promoting and assisting taxpayers to designate illegally the beneficiary of diverted tax funds. The report concludes with brief observations and a formal request for a full-scale, statewide special investigation. We have attached an extensive set of appendices supplying supporting documentation.

This report does not provide complete, dispositive evidence concerning wrongful, questionable practices by student scholarship organizations and affiliated private schools. The report cannot offer a final disposition based on all relevant facts since Georgia law fails to provide for the collection of some necessary information and prohibits the public disclosure of other essential data concerning the operations of student scholarship organizations and the private schools that receive diverted tax dollars through the state tax credit contributions. In addition, only the Georgia Department of Revenue has the authority by which to obtain access to tax filings and records that can detect and determine exactly which taxpayers may have

---

8 See A Failed Experiment: Georgia’s Tax Credit Scholarships for Private Schools, pp. 11-22. In December, 2011, SEF filed with the Department an open records request seeking basic information about audits of SSOs as well as amounts contributed to SSOs and amounts awarded in scholarships The Department’s reply was as follows: “[T]he Department is unable to provide the information you have requested. Pursuant to O.C.G.A. 50-18-72(e)(3), 48-2-15, and 48-7-60(a), it is unlawful for the Department of Revenue to release any document, report or return that is considered confidential and thus exempt from disclosure. See also Bowers v. Sheltin, 285 Ga. 247, 250 (1995). (Response to SEF’s Open Records Request from the Department of Revenue, dated Feb. 6, 2012.)
illegally claimed a state tax credit under this program with the cooperation and assistance of SSOs and private schools.

This report does provide clear and convincing evidence that SSOs and private schools have been and are openly violating the Georgia tax code, Georgia statutes, and federal tax regulations. It presents documentary evidence that is more than sufficient to establish grounds for a wholesale, statewide special investigation into the tax irregularities of Georgia’s private student scholarship organizations and their affiliated schools. The documentation in this report should assist the Department in an investigation of how tax exempt organizations have assisted and at times required private school parents and other taxpayers to violate state laws as well as state and federal regulations in the use of state tax credits for private school scholarships.

Student Scholarship Organizations Involved in Direct and Indirect Designations

**Georgia Student Scholarship Organization** (GASSO: [www.gascholarship.org](http://www.gascholarship.org)): This SSO is located in Cumming, Georgia and is one of the state’s largest student scholarship organizations. According to its web site, GASSO has received more than $22 million dollars in diverted tax funds for private school scholarships in Georgia since late 2008. Its principal officer is Robert Jasion, who also is a primary partner in a for-profit Cumming-based chemical company.

Through its printed materials, web site, videos, and presentations, GASSO and Robert Jasion have encouraged and assisted private schools and private school parents in Georgia to divert tax dollars to designated children, usually their own children already in attendance at private schools, during the last four years. As early as 2008, it appears that GASSO developed and circulated donation forms that specifically provided for donors to write in the name of a designated student to receive the benefit of diverted tax funds through private school scholarships (Appendix 1). As early as 2009, GASSO was making presentations at private schools to explain to parents how diverting their tax dollars to GASSO could include scholarships for their own children (Appendix 2).

In December, 2009, State Representative David Casas, a co-sponsor of HB 1133, spoke at a GASSO workshop in Lawrenceville, Georgia, on what the law provides and how it works. At that meeting, Rep. Casas informed the private school audience how they could divert their tax
dollars through the tax credit scholarship program away from the state treasury in the following manner:

You can take this chunk of money and be able to say, "No, I want this money to go to education, and not just education, I want it to go to the school of my choice, and maybe even more detailed the student of my choice." (Emphasis added.)

This talk by Rep. Casas was videotaped by GASSO and posted on GASSO's web site. It also was used by GASSO's Robert Jasion in his own PowerPoint presentations at private schools in Georgia to explain how the tax credit scholarship program works (see Appendix 2). To highlight Rep. Casas' assertion that a taxpayer may designate "the student of [his or her] choice" in diverting tax funds for private school scholarships, GASSO inserted a placeholder in the video immediately preceding this part of Rep. Casas' remarks. The GASSO video screen shows the following slide immediately before Rep. Casas' quoted remarks:

This video was available on the GASSO web site until it was removed after press reports on GASSO's activities in the summer of 2012. The video also was used at and by private schools affiliated with GASSO. It is and has been a primary tool in a strategy to increase the diversion of tax dollars away from the state treasury to GASSO by assisting private school parents to designate their own tax dollars for their own children's education — contrary to the terms of the 2008 law and the plain meaning of 2008 state regulations. The video and related

---

9 Representative Casas' full speech is submitted in a GASSO video that is contained on a disk as Attachment A.
activities constitute a plain, unambiguous appeal to parents to give and get back their tax dollars for their own children’s education at private schools in violation of Georgia law.

In March, 2011, at a public meeting at Gwinnett Christian Academy, GASSO agent Robert Jasion continued his use of the Casas video as a part of his presentations at private schools. During the question and answer section of this meeting, the following exchange occurred between Jasion and a private school parent:

**Parent question:** “When you mentioned about having family members or people that you know donate... so when they make that donation, does it get earmarked to that child?”

**Robert Jasion:** “It goes to the general fund – but the school knows the names of all the donors. And as a parent, if you go out there and get 10 of your friends to make a donation, I know you’re gonna go in there and tell Wyatt ‘I got all these people to donate.’

**Parent:** Right.

Another parent: Now how do we do that? (laughter)

**Robert Jasion:** ... you just let him know that you went out there and you worked with these people... there are a lot of parents who do that.

In a follow-up remark, a representative of the Gwinnett Christian Academy confirmed Jasion’s assurance that private school parents who give a tax credit will get back their tax dollars as a scholarship for their own children:

**Wyatt Bozeman:** Just generally I can tell you, we’re going to take the money as it comes in, and there will be a small percentage, a very small percentage of that money will be set aside for a needs based scholarship fund. The rest of that money will be channeled to the family that raised it. Bob’s told us that is very common for the other schools... (Appendix 3).¹¹

Both GASSO’s web site and some of its printed materials have informed potential donors: “Scholarships are awarded based upon the criteria set up by the participating private schools (merit, need, academics, and/or other criteria).” But, as GASSO’s agent demonstrated at Gwinnett Christian Academy, this occasional disclaimer is mostly a ruse to deflect attention and focus from the fact that most of GASSO’s efforts are illegal. This SSO has helped to divert millions of tax dollars from the state treasury to its own banking account through a continual,

¹¹ Since public exposure of this exchange, the private school has changed SSOs. See “**Public Money Finds Back Door to Private Schools**” Stephanie Saul, New York Times, May 21,2012.
systematic campaign that engages Georgia’s private schools and taxpayers (often parents and families) to donate tax credits and designate students, directly and indirectly, to receive the tax credit scholarships.

Without a state law requiring public disclosure or state oversight, GASSO’s campaign of misinformation and dishonesty has been hidden in plain sight and has paid off handsomely for the private organization’s directors. According to data on its own website, GASSO so far has received as much as $22 million in diverted state tax dollars during the last four years by helping taxpayers claim and receive tax credits that are null and void in violation of Georgia law.

A Pay It Forward Scholarship Corporation (www.payitforwardscholarships.com) was formerly incorporated and operated as Corporate Giving for Education and is located in Gainesville, Georgia. This student scholarship organization has established an on-line process for two types of tax credit scholarships: 1) The Pay It Forward Scholarship and 2) The School Specific Scholarship. The “Pay It Forward” is only for donors who also want a scholarship or know someone to whom they want to give a scholarship in exactly the same amount as the donation. The “School Specific” scholarship is for anyone who wants to “get in line” for the possibility of a tax-supported gift but who is not a donor.

The “Pay It Forward” SSO web site declares that “Anonymous donors have donated scholarship funds for your child. (Maximum Scholarship $9,437).” But, the scholarship procedure is set up as a simple, transparent “give and get back” scheme. It allows a person to direct their tax dollars to the SSO and, at the same time, to claim for themselves or another designated person exactly the same amount of tax funds in the form of a “Pay It Forward” tax credit scholarship. As the SSO web site states: “Simply apply for a scholarship... There are no income requirements, no long applications, just your student’s name and the name of ANY accredited private Pre-K-12 school in GA. Then refill the pool of scholarship funds in the same amount when you “Pay it Forward” by becoming a Pay it Forward® Scholarship donor” (Appendix 4).

---

12 In available federal IRS reports for 2009 and 2010, GASSO reported that 95 percent of its combined administrative expenses of $900,302 had been spent on personal payments to three members of the SSO’s board of directors who constituted the entire board. Based on this ratio, as much as $1.9 million or 95 percent of the total administrative expenses from 2008-2012 may have been paid to GASSO’s three directors. Whatever the exact amount, GASSO’s directors have had a substantial personal, financial interest in increasing the SSO’s revenues by all available means since they are permitted by state law to keep 10 percent of all tax funds diverted to their SSO, and most of that 10 percent goes to personal payments they give themselves.
On the on-line donation form, Pay It Forward asks: “Do you know someone who could use a scholarship? Please provide the information below and we will send an email inviting them to apply for a scholarship from an anonymous donor.” Of course, there is nothing, in fact, anonymous about the person the donor designates to receive a scholarship in the same amount of the donor’s tax credit contribution.

In this arrangement, there is an unmistakable procedure and understanding by which a person contributes a tax credit and identifies who receives the benefit of the tax credit in exactly the same amount. This on-line procedure is nothing less than a badly veiled scheme to help private school parents and friends designate who will receive a tax-funded scholarship in the same amount as the tax credit contributed by the donor. Pay It Forward’s claim of a so-called “anonymous donor” is a thin smokescreen in its attempt to evade Georgia law and regulations.

In contrast, if an applicant does not divert tax dollars to Pay It Forward, there is no guarantee of a scholarship in any amount. In this second type of “School Specific” scholarship, the applicant is instructed to “put yourself in line for a $500 scholarship when someone else contributes to your school’s fund” — or if someone ever does. As a Pay It Forward form letter instructs private school parents: “Use this scholarship to help students at our school in general, not any particular student.” The other type of scholarship designates a particular student.\(^\text{13}\)

The Pay It Forward SSO has not publicly reported the amount of tax dollars it has helped to re-direct from the state treasury. A graph in its mid-2011 report, published on its web site, suggests that the SSO’s tax credit contributions had grown steadily throughout 2010 and 2011. The SSO’s public report shows that during the first six months of 2011 it received 3,885 donations and had a growth rate of 54.6 percent in the number of donations (Appendix 5). The report also notes that the average donation amount was $2,344. This volume of average tax credit contributions suggests that Pay It Forward helped taxpayers diverted approximately $9.1 million in the first six months of 2011 through primarily an on-line, illegal “give and get back” scheme.

\(^{13}\) Since Pay It Forward uses the a single on-line application for both types of scholarships, it is also possible that a taxpayer might select to make a “school specific” tax credit contribution and still have an opportunity to insert the name of a designated student to receive the benefit of the tax credit. In this respect, both types of scholarships could be used on-line to designate the recipient of the scholarship.
Georgia GOAL Scholarship Program (www.goalscholarship.org) is apparently the largest private student scholarship organization in Georgia. Located in Atlanta, GOAL reports that it has received more than $54.2 million in diverted state tax dollars from 2008 through 2012.

GOAL has self-published frequent public reports on its activities, although the reports are unverified. Its self-published information often has varied considerably from data it reported under penalty of perjury in federal tax reports filed with the Internal Revenue Service. Also, the statistical charts that GOAL has self-published showing the family income of students receiving scholarships through its program have been unverified, inconsistent, and misleading.14 This pattern of presenting half-truths and misleading public information provides the context in which GOAL has attempted to evade the state tax code that prohibits designating, directly or indirectly, a tax credit scholarship for a particular individual.

On its web site, GOAL has maintained since 2008 a set of questions and answers for persons interested in GOAL’s tax credit scholarship program. One of the sections reads as follows (Appendix 6):

If I redirect some of my Georgia tax payments to GOAL, can I designate the student who will benefit from the financial assistance?
No. Although a donor to GOAL may designate a participating school and recommend a possible GOAL scholarship recipient (except a dependent of the donor), the financial aid committee at the school will have the discretion of deciding which qualified recipients will be recommended to GOAL for the receipt of the GOAL scholarships (Emphasis added).

This instruction informs GOAL’s potential donors and participating schools that donors can directly designate the school to receive the diverted tax funds and indirectly designate the student to receive the scholarship. To “recommend” a student is to name a student that the donor wishes to benefit from his diverted tax dollars. At best, it is a practice that indirectly designates the individual to receive the tax credit scholarship. At worst, it is a veiled method by which GOAL and private schools can assure that all donors have an opportunity to redirect their tax dollars to specific students.

To “recommend” is by definition to “present as worthy of acceptance” or “to endorse as fit, worthy, or competent.” By permitting donors to present and endorse an individual for a

---

14 See A Failed Experiment: Georgia’s Tax Credit Scholarships for Private Schools, pp. 30-35 and 72-75.
scholarship, GOAL is engaged in a practice of having donors designate an individual to benefit from the tax credit contribution. GOAL's only conceivable purpose in inviting a donor to recommend a student is to allow the donor to identify who should receive a scholarship. Otherwise, GOAL would be falsely deceiving donors into believing that their recommendation of a specific recipient would have a bearing on who receives a tax-supported scholarship. Recommending a person is, in fact, designating directly or indirectly a particular individual for a donor's contribution of tax dollars to GOAL. It is not a valid tax credit under Georgia law.

GOAL apparently believes that it can rescue its practices of permitting donors to "recommend" and identify an individual for their diverted tax dollars by stating that a private school's financial aid committee will "have the discretion of deciding" which applicant will be put forward for a scholarship. That procedure is irrelevant in as much as the state tax code disqualifies any "contribution directly or indirectly designated for a particular individual." When a contribution is made with a direct or indirect designation, it "is considered made to the individual and not to the SSO and as such is not eligible for the qualified education expense credit."

In addition, GOAL misleads donors and private schools by stating incorrectly that a contribution of tax dollars to GOAL can identify a particular individual to benefit "except a dependent of the donor." Again, GOAL has a practice of reporting a half-truth. The 2008 statute provides that a "tax credit shall not be allowed if the taxpayer designates the taxpayer's qualified education expense for the direct benefit of any dependent of the taxpayer." But, the Georgia tax rules have stated since 2008 that a "contribution directly or indirectly designated for a particular individual, whether such individual is a dependent of the taxpayer or not, is ... not eligible for the qualified education expense credit" (Emphasis added).

Despite its incorrect statement of Georgia law, the wording of GOAL's instruction is actually an admission of the fact that recommending a person is designating an individual for the tax credit scholarship. If a donor's recommendation of a particular recipient through GOAL were not a designation, even under GOAL's misstatement of the governing law, it would be

---

15 OCGA § 48-7-29.16(d).
16 GA. Comp. R. & Regs. r. 560-7-8-.47.
irrelevant whether the recipient is a “dependent of the donor.” It is a relevant point only if a recommendation is a designation of the tax credit contribution.

It also appears that recommendations, in fact, are far more than suggestions in the GOAL practices. GOAL says it allows donors to recommend individuals to receive the benefit of their redirected tax dollars. In turn GOAL says it allows private schools to recommend the “qualified recipients... to GOAL for the receipt of the GOAL scholarships.” In fact, there is no indication that GOAL’s affiliated private schools have ever had their recommendations of tax credit scholarship students turned down by GOAL. Quite the contrary, GOAL assures parents that it defers to the decisions of affiliated schools in their recommendations:

At the time a private school elects to participate in the GOAL Scholarship Program, GOAL provides school officials with a set of voluntary guidelines that school officials may consider in formulating their scholarship recommendations. It is up to school officials to decide whether and in what cases to comply with the voluntary guidelines (Appendix 7).

Just as GOAL treats “recommendations” from private schools as final decisions, GOAL is likely to treat “recommendations” from donors with at least the same level of acceptance since, without donors, there would be no scholarships to recommend.

GOAL’s misinformation about indirectly designating a scholarship recipient has been publicized by several private schools on their own web sites (See GOAL-affiliated Schools in Appendix 13, e.g. Gatewood School, p. 63; Killian Hill Christian School, p. 131; Landmark Christian School, p. 140). This practice involves an impermissible designation by the donor.

The Golden Dome Scholarship Fund ([http://www.goldendomefund.org/](http://www.goldendomefund.org/)) is located in Valdosta, Georgia and has worked with private schools in South Georgia to receive tax credits for scholarships. This SSO also has promoted the notion that a taxpayer can legally designate a beneficiary when diverting tax dollars for private school scholarships so long as the beneficiary is not a dependent.

For example, Golden Dome has published a statement of procedures by which it distributes un-earmarked tax credit funds (those not directly designated) to private schools according to the volume and size of tax credit contributions that the SSO received from the affiliated private schools’ board members and staff. In addition, the SSO has published a set of
suggestions for private schools, including establishing written procedures for designating diverted tax funds to particular individuals based on who donated the tax credits. Golden Dome’s document states: “If the obtaining of donations is the basis of awarding of scholarships, clear written definitions should be established” (See Appendix 8 for Golden Dome documents).

The practice of encouraging donors to designate beneficiaries is evident in the documents of private schools affiliated with the Golden Dome Scholarship Fund. Faith Baptist Christian Academy in Long County, Georgia, for instance, informs local businesses, private school parents (and their families and friends): “You, as a donor, can designate a specific school and even a specific student to receive the scholarship, as long as the student is not a dependant (sic)” (Appendix 13, p. 44). The policies of both the Golden Dome SSO and its affiliated schools evidence a systematic practice of designating a particular individual to receive diverted tax funds in the form of private school scholarships in violation of Georgia law.

Institute for Educational Advancement (www.theinstituteforeducationaladvancement.com) is a student scholarship organization located in Atlanta’s Buckhead community. According to federal records, this SSO raised more than $17.5 million in tax credit contributions from 2009 through 2011. It began as the Matthew Ornstein Merit Scholarship Fund in late 2008 but the name was changed in early 2009 to the Institute for Educational Advancement (IEA). Ornstein has continued as president of the SSO.

IEA has paid a small private company, Ellison Consulting Group, to help raise cash contributions and to distribute those tax credit funds to a small number of private schools on IEA’s behalf. According to school officials at Georgia Cumberland Academy, for example, the school receives funds for tax credit scholarships from IEA but deals primarily with the principal of Ellison Consulting Group, Ryan Ellison.

The web site of the Ellison Consulting Group advertises a “Pay It Forward Scholarship Program,” although, unlike the web site of the Gainesville-based Pay It Forward SSO, this web site consists of only one page without any capacity to process on-line contributions or applications and with only an Email address at the bottom (Appendix 9). Under the heading of “HOW IT WORKS,” the Ellison web site states: “If The Ellison Consulting Group is able to secure a scholarship for your child’s tuition, you then take the money you would have spent on your
child’s tuition and make a voluntary charitable contribution to a different organization to sponsor another child’s education.”

Although the Ellison web site makes no mention of the state tax credit scholarship program, schools like Georgia Cumberland Academy and Coble Elementary School that are affiliated with IEA do instruct parents and others on how to contribute tax credits through IEA. Coble Elementary, another private school affiliated with IEA, advises parents to notify the school “that you have made this donation and let them know the donation amount,” when sending their check to the Institute for Educational Advancement.

These practices and policies implicate IEA, its agent (Ellison Consulting), and its affiliated schools in activities that designate directly and indirectly who will benefit from tax credit contributions to the SSO. A pay-it-forward method of using tax credits to find private school scholarships is inherently a scheme to give and get back a benefit. Such procedures violate Georgia’s tax code and statutory law. And, in a pay-it-forward scheme, when parents are routinely informing a school of the amount of their tax credit contributions, the practice appears to be a simple, informal way to illegally enable those who divert state taxes to designate and get back the benefits of those funds through a private school scholarship.

Parents Choice SSO (www.pcssq.org) is a small, relatively new SSO located in Lawrenceville, Georgia. It has on-line donor forms for both corporations and individuals that allow the taxpayer to specify the beneficiary of the diverted tax funds. The donation forms ask: “Is there a family at this school you would like considered for a scholarship (sic)?” PCSSQ’s own “Questions & Answers” sheet makes explicit the intent and effect of this designation for tax credit. It reads:

Is it true that I can use these tax credits to fund my child’s (sic) entire private education?
Yes. If you have enough friends and family members redirect their tax dollars for your benefit, you can never pay a tuition bill out of your pocket again! (Appendix 10)\footnote{Note: PCSSQ’s web site misspells the word “scholarship” in listing out its own name and in its use of the word throughout much of its site. Another new SSO, Georgia Tuition Assistance Program (www.gtap.org/}, also provides a “process flow” that suggest the possibility of routine donor designation: as a part of step #2 private school parents find donors and in step #6a “school awards scholarships” back to the parents (Appendix 11).}
Private Schools Involved in Direct and Indirect Designation of Tax Credits

According to available, documentary evidence, at least 56 private schools in Georgia have developed fundraising activities through their own school that have encouraged, assisted, and, at times, insisted that taxpayers illegally make a direct or indirect designation of specific individuals to receive the benefit of their diverted tax dollars for private school scholarships (Appendix 13). These schools are affiliated with virtually every major student scholarship organization in Georgia and constitute perhaps as many as one out of every nine private schools receiving diverted tax funds for the scholarship program in Georgia.

Also, SEF has identified 57 additional private schools (Appendix 14) in Georgia that are listed on the Pay It Forward Scholarship Fund\(^\text{18}\) or the Golden Dome Scholarship Fund. Due to the policies and practices of the two affiliated SSOs, these schools necessarily involve parents and other taxpayers in contributing tax credit contributions that designate, directly or indirectly, the beneficiary and are not legally valid under the Georgia tax code.

In addition, SEF has received information from public and private sources describing how private schools have assisted parents and others to divert Georgia tax funds for scholarships to benefit the parents’ own students and, in some instances, have suggested that parents “wink” at the Georgia tax code while they circulate printed materials warning that the scholarship tax credits cannot designate a particular student.

The following snapshots are drawn from the documentation found in Appendix 13 and illustrate a range of activities through which individual private schools have assisted and guided parents and other taxpayers in illegally taking tax credits for private school scholarships.

**Covenant Christian Academy in Loganville, Georgia\(^\text{19}\)** is a private school with an enrollment of approximately 325 students. During the last four years, it has been affiliated with the Georgia Student Scholarship Organization (GASSO) and has worked with GASSO to attract tax credit scholarships for its students from parents, their families, and their friends. Both the school web site and its handbook show that Covenant Christian has only one scholarship program.

---

\(^{18}\) Pay It Forward also has listed on its web site additional private schools as “feated schools” whose parents can contribute tax credits in the pay-it-forward scheme. It is unclear if these schools have been featured because the schools’ parents have participated or are listed for other reasons.

\(^{19}\) There is more than one private school in Georgia named Covenant Christian Academy. This school in Loganville, for example, is not associated with Covenant Christian Academy in Cumming, Georgia or Covenant Christian Academy in Smyrna, Georgia.
program, and it is financed exclusively by state tax funds diverted to the school through tax credits. The school has adopted a formal policy requiring a student’s family to donate a tax credit through GASSO to the school in order to become eligible to receive a scholarship (Appendix 13, p. 28-31).

None of GASSC’s forms for the tax credit program at Covenant Christian reveals this policy and practice, but the school’s own scholarship application does. It states: “Please indicate if you have made a contribution to the GA State Tax Credit program to benefit Covenant Christian Academy.” In addition, the Covenant Christian scholarship application by design identifies which students will receive the benefit of tax credits taken by their parents, families, and friends. The form provides several spaces for the scholarship applicant to list the donors — “(Grandparents, Aunts, Uncles, etc...) & Amount Donated.”

In effect, Covenant Christian has set up a policy and practice by which tax credit contributions are designated for a particular individual. It requires the parents of all scholarship applicants to take a tax credit for the school. In addition, the private school has a scholarship application that specifically identifies the donors and the amounts of their tax credit donations that a student can claim as their own for funding their scholarship. In both these ways, Covenant Christian has established a process by which a donor’s tax credit contribution is designated for a specific individual contrary to state laws.

The Fulton Science Academy (FSA) is a private school in Alpharetta, Georgia. Until the summer of 2012, FSA operated as a public charter school; however, FSA was denied renewal as a public charter school in December, 2011 by the Fulton County Board of Education in a unanimous vote. Afterwards, the charter school applied to become a state-chartered school. In May, 2012, the State Board of Education denied FSA’s public charter petition. The state board announced that its decision was based on “governance, financial and accountability issues.”

A forensic audit of FSA commissioned by the Fulton County Board was made public. The audit found conflicts of interest in the charter school’s commercial transactions and a lack of adherence to proper bidding procedures. It also raised additional concerns about spending public money on legal fees for teachers to migrate from Turkey and for student trips to Turkey.
In response, FSA denied the findings of the audit and proceeded with plans to open as a private school in the fall of 2012.

As a private school, FSA has affiliated with the Apogee SSO to collect diverted state tax dollars to finance the school’s scholarship program. Under current Georgia law, all former FSA students are legitimately eligible for tax-funded support, because all students in the former charter school had previously attended a public charter school. The only restriction in the distribution of the tax-funded scholarships is a statement by FSA that financial aid will be based on an undefined measure of need.

In late May, when FSA announced to parents that the public charter school would soon become a private school, it informed parents that the school would affiliate with an SSO in order “to allow the families the opportunity to redirect their Georgia Tax Dollars toward their private school education thereby reducing their overall private school tuition by the amount that they redirect” (Emphasis added; Appendix 13, p. 58). FSA elaborated on this opportunity: “Under H.B. 1133, married tax filers can redirect up to $2500.00 and single tax filers can redirect up to $1000.00. This means that student’s family can earn credit in the amount they deposit in the designated SSO, toward both their tuition and their taxes at the same time (Emphasis added).

This information is no longer provided on the FSA web site; nonetheless, it appears to establish the intent and methods by which FSA engages parents to divert state tax funds in system of designating the donor’s contribution to a particular individual.

There is no public information about exactly how or how often FSA is currently carrying out this original intent. Available information does suggest that Apogee and FSA are permitting and encouraging donors, including parents, to re-direct their state tax credits to benefit specific students. An Apogee document entitled “Frequently Asked Questions” posted on the FSA web site has this exchange:

"Can I direct my contribution to help a specific student?"

While the State law does allow for donors to direct their contributions to an individual, ASF [Apogee] does not accept donations specifically
requesting an individual as a recipient... (Emphasis added).  

Apogee’s instruction to potential FSA donors incorrectly states Georgia law and misleads FSA parents into believing that they can lawfully designate an individual recipient for their tax credit contribution through some arrangement at their school – so long as the donors do not make such a request of the SSO when contributing the tax credit. Apogee fails to mention the state rules disqualifying a tax credit contribution if it designates an individual. To the contrary, the SSO statement affirms that the law permits “donors to direct their contributions to an individual” attending FSA.

Apogee informs FSA parents only that it does not accept “donations specifically requesting... a recipient” – not that donors cannot make designated tax credit contributions. Apogee goes to a considerable length explaining why it is inadvisable for an SSO as a charitable organization “to accept donations specifically requesting an individual as a recipient.” But, it does not explain why donors cannot make those types of tax credit contributions to FSA. The instructions remove Apogee’s own paperwork from being used to direct tax credits to fund scholarships for particular individuals but permit FSA and the school’s tax credit donors to arrange for donors to “direct their contributions to an individual” student for a state-funded scholarship.

Apogee’s inaccurate misleading instructions to FSA parents and the school’s other potential donors of tax credits contrasts sharply with the SSO’s more straightforward answer to the same question on Apogee’s own web site:

Can I direct my contribution to help a specific student?

---

20 Apogee’s full answer to the question on student designation is as follows: “While the State law does allow for donors to direct their contributions to an individual, ASF does not accept donations specifically requesting an individual as a recipient. Donors would lose their ability to receive a charitable contribution, resulting in making the contribution much more costly. ASF feels that this program was intended to help children who otherwise would not have the opportunity to attend the school of their choice. Allowing donors to direct their donations to specific individuals would limit the availability of funds for children not as fortunate to have the network to support their tuition. Additionally, many of our partner schools restrict their SSO scholarships to applicants with financial need. The concept of applicants receiving scholarship awards based on who designated a donation to them does not mesh well with a scholarship award. Lastly and most importantly, we are a 501c3 non-profit organization and are bound first and foremost by those rules and regulations. By accepting contributions directed to a specific individual, we would be putting our non-profit status in jeopardy, which would be putting our entire organization at risk” (Appendix 13, p. 62).
Apogee does not accept donations specifically requesting an individual as a recipient. Donors would lose their ability to receive a charitable contribution, as well as the Georgia tax credit..." (Emphasis added.).

Both FSA’s clear, original intent to help parents “earn credit in the amount they deposit in the designated SSO” and Apogee’s assurances that the “State law does allow for donors to direct their contributions to an individual” constitute clear documentary evidence strongly suggesting that FSA is permitting and assisting parents and others to designate their tax credit contributions.

If so, the Fulton Science Academy is operating today as a private school with the support of unlawfully diverted state tax funds after the school was denied continued public funding as a charter school by both a locally elected school board and the state school board. There is good reason to question whether a private school should be allowed to use diverted state tax funds, even if lawfully acquired, after a local elected school board and the state board of education had denied the same school continued state and local funding. There should be no question that such a school cannot be allowed to operate with the use of illegally diverted state tax funds.

Horizon Christian Academy (HCA) has an enrollment of approximately 300 students in Cumming, Georgia. It is affiliated with the Georgia Student Scholarship Organization (GASSO), which is also located in Cumming. There is no information on the HCA web site about GASSO or the state tax credit scholarship program. There is a major section on “Giving” on the private school’s web site, and it lists various ways to financially support HCA, including on-line credit card donations, gifts of stock, property, and cash, as well as matching gifts. But, there is no reference to state tax credits for private school scholarships or GASSO.

The 2012-13 HCA student-parent handbook does have a brief reference and explanation of “Georgia SSO.” This section in the handbook follows but is separate from the section on “Financial Aid,” which explains how the private school awards scholarship to deserving students. The following section on the Georgia SSO reads:

During 2008, the Georgia state legislature enacted into law the Georgia Goal Scholarship Program. Under this program, the state set aside $50

---

21 See www.apogeescholarships.com, “FAQs for contributors.”
million for scholarships to be awarded to students attending private schools. Any person who has a Georgia state tax liability can make a contribution to a qualified Student Scholarship Organization. If you would like more information regarding this program you may contact the front office (Emphasis added; Appendix 13, p. 100).

This description of the state tax credit program as a set-aside for private school students is echoed in earlier, published comments by an HCA board member, Jon Newcomer, A CPA who facilitates SSO contributions for the private school. In August, 2009, the Atlanta Journal Constitution reported that private schools in Georgia were encouraging parents to register their students at public schools with no intention of having the students attend a public school so that they could meet the law’s requirement that students must be “enrolled” in a public school in order to be eligible for a tax credit scholarship. The news reports states:

John (sic) Newcomer, a member of the Horizon Christian Academy board in Cumming, called the scholarship program “a way for us to get some of the tax dollars that are taken from us.”
The school’s May newsletter promoted it as “a way for you to have state funds pay your child’s tuition.”
“[The state kind of implemented a voucher system in disguise,” Newcomer said.” 22

The 2012 HCA newsletter (January 9) reveals that the school and its parents have been “taking advantage of this ‘school choice’ program” in disguise as if it were a direct voucher program. The newsletter promotes the program as state funding to any child whose private parents wants to direct state tax funds to pay their own children’s tuition, and it reminds parents that they also can get a federal income tax deduction. This HCA newsletter states: “Rather than paying taxes to the State of Georgia, your tax dollars can easily be deferred to Horizon Christian Academy and placed in a tuition account for your child(ren). With the assistance of a few family members and/or friends, your child(ren)’s tuition can be fully funded by the State” (Emphasis added; Appendix 13, p. 97).

Clearly, this document evidences that Horizon Christian Academy has been and is assisting its students’ parents to make tax credit contributions designated for their own children and to enlist family members and friends to do the same thing. HCA parents and

others are diverting state tax dollars directly into designated tuition accounts of specific individuals at Horizon Christian Academy, and, at the same time, are receiving a dollar-for-dollar reduction in their state taxes as well as a federal tax deduction. This practice is in direct violation of the Georgia and federal tax codes.

**Kids R Kids of Pleasant Hill Duluth** is a learning academy that provides private pre-kindergarten classes as well as classes under the lottery-funded Georgia Pre-K, child care for those under four, and after-school programs for older children. It is a for-profit franchise of a national company with headquarters in Duluth, Georgia, and with franchisees operating in 15 states. The Pleasant Hill Duluth center has approximately 13,000 square feet of space. Kids ‘R’ Kids Pleasant Hill “has partnered with the Georgia Student Scholarship Organization (GASSO) to provide students with an incredible scholarship program while providing their families and companies with tax credits.”

Kids R Kids describes the scholarship process on its web site this way: “Student Scholarships are awarded to Kids ‘R’ Kids Pleasant Hill Learning Academy Private Prekindergarten families who submit a donation and scholarship application. Pre-K Students will receive 90% of the donated amount as a Scholarship that must be used towards Private Pre-K and After School tuition at Kids ‘R’ Kids. The scholarship will be credited to the child’s tuition account in equal bi-monthly installments over the course of the year... Families are encouraged to donate and reapply for the scholarship yearly” (Appendix 13, p. 127).

Kids R Kids also advises parents with children in child care that they can divert state tax funds now and the learning center will hold those state tax funds in their child tuition accounts until they are old enough to use them in private prekindergarten:

> Parents of Infants through Preschool students may donate each year and receive the tax credit limits as noted above and may also be eligible to have their current yearly donations applied towards their child’s future Private Prekindergarten.

At least two other Kids R Kids learning centers in suburban Atlanta – Kids R Kids of Sugar Hill and Kids R Kids of Alpharetta – have virtually the same policies and practices (Appendix 13, p. 125; 129).
In summary, these Kid R Kids centers are instructing parents to take state tax credits that, in effect, designate the parents’ own children as beneficiaries of their tax credit contribution. They also permit tax credit contributions to cover the tuition costs of after-school programs, which do not constitute accredited schooling, as required by law. Kids R Kids also encourages parents of infants in their centers to contribute tax credits annually so that their diverted tax funds can be held by the learning center until their children are old enough to attend private pre-kindergarten, when the tax funds they contributed will be applied to their own children’s tuition. All of these policies and practices at Kids R Kids centers violate the Georgia tax code and Georgia statutory law.

Christian Heritage School (CHS) is located in Dalton, Georgia, and has an enrollment of over 400 students. During the last few years, this private school has been affiliated with the SSO, Georgia Christian Student Scholarship Fund (GCSSF), now also known as Faith First.

In 2010 into 2012, CHS developed and operated a school-wide program providing tuition rebates to parents who contributed and recruited tax credit contributions to the private school through Faith First. It is unclear if the program is continuing today. The school provides referral forms to parents in order to document their own tax credit contribution and to list referrals “who have received approval back from the state” for making their tax credit contribution to CHS through Faith First (Appendix 13, p. 14-16).

The rebate program has had three ways by which CHS’ parents accumulated “tuition credits” for their own students. First, if parents recruit at least three people, including themselves, “to contribute and claim their tax credit” for the school, the parents’ student tuition at CHS is reduced by 10 percent of the amount raised — plus another “bonus” of $250 (Appendix 13, p. 14). Second, if parents are able to contribute and/or recruit at least 30 participants in their child’s grade, CHS doubles the tuition rebate to 20 percent of the amount for parents who participate in the rebate program with children in that grade. For, example, if 25 parents with children in the 10th grade at CHS contributed and recruited at least 30 tax credit contributions, the rebate for their children would be 20 percent of their tuition. CHS also

---

23 See CCGA § 20-2A-1(2).
established a school goal that provides additional rebates. If the school receives 300 tax credit contributions during the tax year, participating parents have their tuition rebate tripled.

The amount of funds that go back to CHS parents through this rebate scheme appear be substantial. As CHS materials informed parents, if “3 families contribute $2,500 each to GCSSF for a total of $7,500” of diverted tax funds for CHS, “Your rebate is $750 plus the $250 bonus for a total of $1,000.” The amount increases to a rebate of $1,750 for CHS parents who also reach a “grade goal” and a total tuition rebate of $2,500 if the school goal is also attained. Apparently CHS raised $240,000 through this rebate program in 2010. No information is publicly available for subsequent years, but it is clear that because the “scholarship program is so vital to CHS,” the private school redoubled its campaign to involve parents in the rebate program in 2011.

CHS’ tuition rebate program is a procedure by which a tax credit contribution designates a particular individual to benefit from the contribution. When parents contribute a tax credit of $2,500 to CHS through GCSSF (Faith First) and recruit two others to make similar contributions, the parents receive a total of $1,000 from those contributions to pay toward their own child’s education at CHS. In effect, this arrangement is no different from a donor overtly designating by name who should receive a portion of the state tax funds the donor diverts from the state treasury. Both types of contributions are invalid, unlawful tax credits.

Dominion Classical Christian Academy in Lawrenceville, GA, has been affiliated with at least three SSOs since 2008 – Apogee, Arete Scholars Fund, and GASSO. In the first years of participating in the tax credit program, Dominion posted a Donor Designation Form available on its website for contributions through GASSO. The form included a space for a ‘designated student,” with a note that “[b]y designating a student, the donor will not eligible for a charitable contribution on their Federal Tax Return. Also, Georgia Law states: ‘The tax credit shall not be allowed if the taxpayer designated the taxpayers’ qualified education expense for the direct benefit of any dependent of the taxpayer” (Appendix 13, p. 35).

Dominion’s “Frequently Asked Questions” section of its website posed this question: “What is Dominion’s policy for distributing designated scholarship funds?” The schools document responded this way: “If the donor designates a specific student (other than a
dependent) at Dominion to receive the scholarship funds, the funds will be applied to the designated student’s tuition for the current year or future year if the funds exceed the remaining tuition balance for the current year.” The school goes on to explain that *undesignated* funds are those that go to families that have applied for financial assistance – but do not contribute tax credit funds.

This school practice of designating the contributions of tax credit funds for specific individuals, usually the children of the donors, is invalid and a violation of the state tax code.

*Friendship Christian School* of Suwanee, Georgia, is affiliated with the Christian International Counseling Ministries SSO (CICM SSO), and was founded in 2008, the same year that the tax credit scholarship program began in Georgia. FCS provides links to a series of documents used to help those interested in the tax credit scholarship program, including “FAQs”. The FAQs ask: “How can the Georgia Private School Tax Credit benefit my son or daughter in attending a Private School?” FCS provides this answer:

Donors can designate a specific student to receive their scholarship donation (as long as the student is not a dependant [sic]). Therefore, if a student has relatives who pay Georgia Income Tax, the relatives can make a donation and specify the student to receive the scholarship. The donation cost is essentially zero to the relatives since they receive a dollar for dollar credit off their Georgia Income Tax and the student benefits by receiving a scholarship which can substantially reduce or eliminate the cost for tuition to the private school (Emphasis Added; Appendix 13, p. 55).

FCS provides parents an easy way to recruit their relatives and friends to contribute to the tax credit scholarship program in order to benefit a specific student by providing a form letter on their website, telling the recipient “You, as a donor, can designate a specific school and even a specific student to receive the scholarship, as long as the student is not your dependant [sic].” These practices clearly have generated tax credit contributions that are invalid and unlawful since they designate the beneficiaries of their contributions.

*Report on Other Anonymous Private Schools:* In 2012, a professional financial advisor contacted SEF and relayed his unnamed clients’ concerns about what they had been told by their private school, which offered a pre-kindergarten program. According to the financial planner, his clients were informed that if they and every other family in the private Pre-K class contributed some level of tax credits, their child and every other child in the pre-kindergarten
class would receive a scholarship in the amount of their contribution. The professional advisor also reported to SEF that the school’s written materials clearly state that a tax credit contribution can benefit only a specific school, not a specific student. “However, the verbal part of it was that you can also apply for a scholarship based on school defined criteria like need, merit, etc. (wink wink)” and get your diverted tax dollars back in the form of a scholarship.

**Parent Communications with the Georgia Department of Education:** In December, 2011, SEF filed an open records request to the Georgia Department of Education concerning the problems of private school students registering at a public school with no intent of attending in order to become ostensibly eligible for a tax credit scholarship. Among other things, the request revealed documents showing that at least two private school parents were preparing to make tax credit contributions to their private schools once they were assured that the local public schools would “enroll” their students in order to receive a scholarship.

In the first exchange, a parent wrote to Robert Jasion of GASSO in May, 2011, describing how she registered her daughter in a public school to make her eligible for a tax credit scholarship in 2010. When the parent had difficulty enrolling her daughter in 2011 for the same purpose, she contacted Jasion for help, explaining that she and her husband were “planning on sending [their] check to Gasso [sic] and wanted to get [their] kids enrolled in the local public school” in order to qualify for a scholarship (Appendix 12). In other words, she was waiting to be certain that her child was eligible to receive a scholarship before she was willing to divert her own money as a tax credit to enable a scholarship.

The second exchange, in August, 2011, shows a parent again is waiting to contribute a tax credit to GASSO until she is assured their child can qualify for a scholarship. The parent thanks Jasion for his presentation on the tax credit program at her child’s school and tells him that she has completed the forms for a “scholarship donation.” But, “on the flip side,” she explains that her local public school will not let her daughter register solely to qualify for a private school scholarship (Appendix 12). Here, too, a parent is waiting to donate a tax credit until she is certain that her child will be eligible to receive a scholarship for the tax credit donation.
Both of these parents had children who attended private schools where there is evidence that the SSO and the schools encouraged and assisted parents in procedures that designated the beneficiaries of tax credit contributions. Under the circumstances, it is fair to conclude that the contributions the two parents made were unlawful once the state department of education insisted the local school districts register their children.

**Concluding Observations and Request**

This report presents strong, persuasive documentary evidence that tens of millions of taxpayer dollars have been diverted illegally in Georgia’s tax credit program for private school scholarships during the last four years. It is likely that hundreds, if not thousands of private school parents, their family members, and friends, have diverted state tax dollars unlawfully. Consequently, these citizens may owe the State of Georgia a considerable sum in unpaid taxes that should not have been diverted from the state treasury according to standing law. At a time when many essential state functions, including public education, have endured sharp, deep funding cuts, the loss of tens of millions of dollars from the state budget has been not inconsequential. Moreover, the recovery of these tax funds is owed to law-abiding taxpayers of Georgia.

It is unclear from the documentary evidence how many taxpayers, including private school parents, were aware that they were violating the law during the last four years when they made tax credit contributions that designated the individual person who would benefit from the diverted tax dollars. It is uncertain from the documents if they participated in SSO and school-operated schemes with an understanding that they were breaking the law. It is clear that the SSOs and private schools did know or should have known that Georgia regulations and laws prohibited the policies and practices explicated in this report.

It is likely that the policies, practices, and schemes for designating particular individuals to benefit from tax credit contributions for private school scholarships are considerably more prevalent than this report documents. There has been a concerted effort of the part of some SSOs and some private schools to hide their practices of designation. As a result, there may be many more schools involved in illegal, disguised activities that a complete, statewide special investigation will uncovered and hold accountable.
The widespread unlawful practices, evidenced in this report, could not have occurred without an enabling, permissive context. In this case, the Georgia General Assembly passed and two Governors signed into law the terms of a program in which self-created private organizations and private schools have been authorized to collect and spend state tax dollars without any of them being held accountable in a meaningful way for their actions and activities. Georgia’s tax credit program for private school scholarships appears, in effect, designed to permit a wide range of mischief and cheating and to permit those misdeeds to go unreported and unabated.

No state agency has been empowered by law to monitor and prevent abuses and cheating in this program. As originally enacted, the tax credit law provided for virtually no reporting by the private organization collecting and spending state tax funds diverted through tax credits, and the law has prevented any state agency from requiring anything more than what very little the law required.

In the name of transparency, Representative Earl Ehrhart, one of the sponsors of the original law, led the passage of amendments to the law in 2011 that now bars virtually any information from being made public by any state agency, including the Georgia Department of Revenue, and makes it a criminal offense if someone divulges even basic information from state records.24

Both Rep. Ehrhart and Rep. David Casas, another sponsor of the original law, have admitted publicly that they intentionally deceived their colleagues and the general public in 2008 when they said the law was designed to help low income students enrolled in struggling public schools to transfer to a private school for the opportunity for a better education. Both have admitted that they placed the word “enroll” instead of a word such as “attend” in the law so that parents of private school students could fill out paperwork to “enroll” their children in a public school but never have them attend a public school in order to make their children eligible for a tax-supported scholarship.25

24 See “Tax Credit Scholarships Reignite Voucher Debate,” Greg Allen, National Public Radio, August 13, 2012. As a result, the national Society of Professional Journalists awarded Georgia the award for the most heinous violations of the publics right to know. See “SPJ announces ‘winners’ of Black Hole Award”, March 13, 2012.
In addition, Rep. Casas has encouraged parents at private school meetings and through a widely disseminated video to use this “scam” to enable their children to become eligible for a private school scholarship and, afterwards, to make a tax credit contribution so that each parent can designate their diverted taxes “to the school of my choice and maybe even more detailed the student of my choice” – contrary to Georgia law.

In this environment, it cannot surprise any law-abiding person of goodwill that some student scholarship organizations and some private schools have developed unlawful procedures and schemes for tax credit contributions that have cost Georgia taxpayers tens of millions of dollars during the last four years.

But, it is time for the type of practices illuminated in this report to stop. It is time for the Georgia Department of Revenue to uphold the Georgia tax code and statutory law. It is time to end pervasive cheating in the Georgia program for private school scholarships.

Accordingly, based on the documentation submitted in this report, the Southern Education Foundation respectfully requests that the Special Investigations Division of the Georgia Department of Revenue, upon its own authority and/or upon instructions from the Georgia Revenue Commissioner, initiate immediately and conduct a complete investigation of all student scholarship organizations and all private schools that are associated with any SSO in Georgia to determine where and when invalid, unlawful tax credits have been taken by taxpayers during the last four years and to undertake due diligence to recover state tax funds that were unlawfully diverted from the state treasury through the tax credit scholarship program for private schools in Georgia.

If we can be of any assistance to the Special Investigations Division in this undertaking, please let us know.

Respectfully Submitted,

Steve Suits
Vice President
Southern Education Foundation
Katherine Dunn  
Program Officer  
Southern Education Foundation  

January 28, 2013
Sample Appendices for

A Report and Complaint on Tax Irregularities in Georgia’s Tax Credit Scholarship Program for Private Schools

*(documentation taken from full, 328-page appendices)*

**Sample documentation from the following schools:**

- **Horizon Christian Academy**, Cumming, GA
- **Kids R Kids**, Pleasant Hill/Duluth, GA
- **Friendship Christian School**, Suwanee, GA
- **Christian Heritage School**, Dalton, GA
- **Dominion Classical Christian Academy**, Lawrenceville, GA
- **Fulton Science Academy**, Alpharetta, GA
- **Covenant Christian Academy**, Loganville, GA
- **Harbour Oaks Montessori**, Grayson, GA
- **Faith Baptist Christian Academy**, Ludowici, GA
- **Gwinnett Christian Academy**, Snellville, GA
- **Montessori Academy of Sharon Springs**, Cumming, GA
- **People’s Baptist Academy**, McDonough, GA
GEORGIA SSO UPDATE

A rally on school choice is being sponsored by the Center for an Educated Georgia, which will be held on January 25, 2012 at the State Capital from 10:00 am to Noon. More information can be found on the website located at http://www.schoolchoicerally.com. Please also share this information with family, friends, and corporations who are (or who are willing to become) donors to the Georgia Student Scholarship Organization (GASSO).

Many HCA families have taken advantage of this “school choice” program which provides “donors” with a Georgia Tax Credit and a Federal Income Tax Deduction. Rather than paying taxes to the State of Georgia, your tax dollars can easily be deferred to Horizon Christian Academy and placed in a tuition account for your child(ren). With the assistance of a few family members and/or friends, your child(ren)’s tuition can be fully funded by the State. As a Georgia tax payer who does not take advantage of this program, your tax dollars will instead be allocated to the public school system in the county in which you live. Please take advantage of this program!

New changes to the program include the following:

1. The Georgia Department of Education is required to set a maximum annual scholarship award cap for each student. The cap is based upon a calendar year award, which for 2012 is $9,437. Once this maximum amount of award is reached for a student during the calendar year, further scholarship awards will be made in 2013. GASSO will track the awards made per student by using the attached SSO Scholarship Application Form.

2. GASSO asks that you please to print your name LEGIBLY; otherwise, it will slow down the process to send the scholarship check.

3. The Georgia Department of Revenue is required to set up the Donor Pre-Approval process via a web based system. As of today, this has not been established. Donors can continue to use the same paper mail in process they have used in the past. I will send an email out once the web-based system is up and running, and we will link to it on our web site.

4. Once the web-based system is up and running, we believe the credit cap will be reached much quicker than in 2011. We encourage you and your donors to apply as soon as possible for 2012. Many Donors waited until November/December to apply only to find out the credit cap was reached and they could not donate. Most have already applied for approval in 2012. The growth and interest in the program will cause the credits to be used quickly in 2012.

5. The GADOR will post the amount of credits available on their web site. For 2012, the amount of credits will be adjusted according to the Cost Of Living Adjustment (COLA). The GADOR has not posted this information yet, and I will keep you abreast of the change. GASSO is anticipating a change of 3-4% increase in the credit cap.

If you have any questions or need assistance, please contact Marie Mannion, our coordinator for financial aid, at marie.mannion@hcaga.org or 678.947.3583 x1004. Questions regarding corporate donations may be directed to the school’s CPA, Mr. Jon Newcomer, at jon@jonwnewcomer.com or 770.886.9009.
Scholarship Opportunities

Kids 'R' Kids Pleasant Hill Learning Academy Scholarship & Tax Credit Program

Kids 'R' Kids Pleasant Hill Learning Academy has partnered with the Georgia Student Scholarship Organization (GASSO) to provide students with an incredible scholarship program while providing their families and companies with tax credits. Families currently enrolled or planning to enroll in our Private Prekindergarten Program are eligible to receive 90% of the total donation made on behalf of their child as a scholarship.

Georgia Student Scholarship Organization, SSO, Inc. is a 501(c)(3) non-profit charitable organization based in Cumming, Georgia. GASSO facilitates tax credit contributions from Georgia taxpayers (individuals and corporations) and distributes those funds to qualified Private Schools in the form of Student Scholarships. This organization is dedicated to parent choice for quality education for children enrolled in Accredited Private Prekindergarten through 12th Grade. Your child benefits because Kids 'R' Kids Pleasant Hill Learning Academy is so highly accredited.

Every approved contribution to Georgia Student Scholarship Organization can be used as a 100% tax credit on a Georgia Income Tax Return. The total amount donated to Georgia Student Scholarship Organization can be used as a dollar for dollar credit against income taxes due to the State of Georgia. The donor can also take a charitable contribution deduction on their federal tax return. Credits are allocated on a first come first served basis. The State of Georgia has capped the maximum total tax credits at $51.3 million for calendar year 2012 for the entire state for this program.

Scholarship Process:

Student Scholarships are awarded to Kids ‘R’ Kids Pleasant Hill Learning Academy Private Prekindergarten families who submit a donation and scholarship application. Pre-K Students will receive 90% of the donated amount as a Scholarship that must be used towards Private Pre-K and After School tuition at Kids ‘R’ Kids. The scholarship will be credited to the child’s tuition account in equal bi-monthly installments over the course of the year. Scholarship applications are available through Kids ‘R’ Kids. Families are encouraged to donate and reapply for the scholarship yearly. Please note that the scholarship program is open to all Kids ‘R’ Kids Private Pre-K students. The tax credit program is open to all Kids ‘R’ Kids families, their extended family and corporations. Parents of Infants through Preschool students may donate each year and receive the tax credit limits as noted above and may also be eligible to have their current yearly donations applied towards their child’s future Private Prekindergarten.

GASSO will have the Donor’s forms approved by Georgia Department of Revenue and will send the Donor all of the necessary paperwork they will need to file with their tax returns to receive the credit. GASSO updates the schools with the amount of donations received twice per month (on the 1st and 15th). This streamlined process will help the Donor receive timely approval for their donation and allow the schools to quickly award any funds donated for scholarships. The process repeats annually starting January 1 and is available until the entire $51.3 million in credits are used (on a first come first serve basis).

How the Process Works:

GASSO has simplified the process for making a donation and receiving the credit.

1. The Donor completes Georgia Form IT-QEE-TP1 (Pre-Approval Form).
2. The Donor completes a Donor Designation Form.
3. The Donor completes an Authorization to Process Form IT-QEE-TP1.
4. The Donor makes a check payable to GASSO, Inc.
5. The Donor returns all of the above to Kids ‘R’ Kids for submission to GASSO.

Please note that there are tax credit limits.

For More Information about the Kids ‘R’ Kids Pleasant Hill Learning Academy Tax Credit and Scholarship Program, please contact:

E-Mail: Director@krk27ga.com

Dear Friend,

Recently, we have become aware of an exciting new opportunity regarding private education in Georgia. As you know, we are committed to a Christian education for our community, believing that God will provide the means necessary to fund this choice. In addition to paying student tuition, families of private school students have also been required to pay regular school taxes. The state of Georgia has recognized this problem and has initiated a new program to give some balance to this situation.

In May 2008, the Georgia state legislature passed a bill called The Georgia Private School Tax Credit (HB1133). This bill allotted $50 million per calendar year of state income tax money to be used for private school scholarships. Individuals and companies paying Georgia income tax are allowed to donate to private schools and receive dollar for dollar credit off of their Georgia Income Tax making the cost of the donation essentially zero. Individuals are allowed to take the credit for up to $1000 per year, $2500 for married couples filing jointly, and corporations are allowed to donate up to 75% of its Georgia tax liability and be reimbursed dollar for dollar by the state!

It is possible to have a student’s entire tuition paid for them, and every dollar be reimbursed to the donors by the state of Georgia! Too good to be true? We thought so at first, but then we did more research and were amazed at the resources we have at our fingertips. One of the most important aspects of this program is the understanding that the $50 million is available on a first-come-first-served basis. Time is of the essence! It is essential that we move immediately! Once the money is gone, it’s gone.

There is no cost to our school, Friendship Christian School, to participate in this program. This is not a fundraiser! Most fundraising companies keep 35-50% of money received for their products and/or services—some even require thousands of dollars up front. The Christian International Counseling & Ministries, Inc. (SSO) is a non-profit charitable organization and by law may only collect 10% of donations received to cover office costs. The school will receive 90% of donations made.

You, as a donor, can designate a specific school and even a specific student to receive the scholarship, as long as the student is not your dependant. There is a simple form to be completed and submitted to the Georgia Department of Revenue (DOR). Once the DOR approves the donation, the donor has 30 days to make the donation to CICM SSO. CICM SSO will then make disbursement of the funds to Friendship Christian School. When you file your 2010 taxes, you will receive a dollar for dollar reimbursement (tax credit) for your donation. This is not a deduction—it is a tax credit and will come directly off of your Georgia tax liability.

We truly believe that this is a program that can revolutionize the future of our school and give us the resources to offer many more opportunities for every student. This is not only a program for parents, but for anyone who would like an opportunity to take command of the way in which our tax dollars are used.

Thank you for your consideration. We are truly thankful for you and your care and concern for our children’s education. For further information, check out the CICM SSO website at www.cicmsso.org, or you may call Friendship Christian School at (678)-845-0418. Also, feel free to consult your tax professional regarding this program. We are excited about this opportunity and believe that it can be a blessing to Friendship Christian School. Don’t miss out—be a part of this exciting new program!

In Christ,

Martin Cochran
Headmaster
marty.cochran@fcsga.org

“I have called you friends, for everything that I learned from my Father I have made known to you.” John 15:15b
TUITION BREAKS FOR CURRENT FAMILIES!

Reduce your tuition in 2012

The scholarship tax credit program is so vital to CHS that the school is encouraging all parents to participate in the program and enlist at least two others to do the same. By meeting individual, grade-level, and school-wide goals, you can receive a tuition rebate for your family.

➢ Individual Goal: 3 participants

Get at least three people (you can be one of them) to contribute and claim their tax credit.

**Result** = a 10% tuition rebate for you on all claimed credits enlisted by you plus a $250 bonus.

Example: 3 families contribute $2,500 each to GCSSF for a total of $7,500. Your rebate is $750 plus the $250 bonus for a total of $1,000.

➢ Grade Goal: 30 participants

Reach your Individual Goal plus . . .
30 total participants in your child’s grade

**When your child’s grade reaches its goal, your tuition rebate (excluding the $250 bonus) will be DOUBLED!**

Example continued: Your grade also reaches its goal.
Your rebate is $1,500 ($750 X 2) plus the one-time $250 bonus for a total of $1,750.

➢ School Goal: 300 participants

Reach your Individual Goal plus . . .
30 total participants in your child’s grade plus . . .
300 total participants school wide

**When our school reaches its goal, your tuition rebate (excluding the $250 bonus) will be TRIpled!**

Example continued: The school also reaches its goal.
Your rebate is $2,250 ($750 X 3) plus the one-time $250 bonus for a total of $2,500.

How to participate: Enlist others in the tax credit program. Participation instructions, forms, and FAQs are available on the CHS website ([www.chslions.com](http://www.chslions.com)). Keep in contact with your participants to confirm they receive approval from the state, enter participant’s information on the Tuition Rebate Participation Form and turn it in to the CHS office. Participants must complete the process and send in their donation in order to count towards the goals. We suggest enlisting more than three participants, if possible.

(Note: tuition rebates will be credited to family account balances in February.)
What is a Student Scholarship Organization (SSO)?
SSO’s are non profit 501(c)(3) charitable organizations created to administer the funds contributed under the Georgia Private School Tax Credit Act and must allocate 90% of revenue for scholarships and tuition grants.

What is the Georgia Private School Tax Credit?
The Georgia Private School Tax Credit is a law that allows people and companies paying Georgia Income Taxes to donate to private schools and receive dollar for dollar credit off of their Georgia Income Tax making the cost of the donation essentially zero. The donations can be made to a specific private school or to a specific student (as long as the student is not a dependent of the donor). The law allows up to $50 million per year in tax credits for donations to private schools.

What is the history and purpose of the new tuition tax credit legislation that gave rise to the Georgia Private School Tax Credit Program
In 2008, the Georgia General Assembly passed House Bill 1133 and Governor Sonny Perdue signed it into law. The new law provides for the creation of student scholarship organizations (“SSO’s”) that use Georgia income tax credit-eligible contributions to provide scholarships for eligible students to attend private schools. Georgia Student Scholarship Organization (GA SSO) is one of the SSO’s created to implement the new law and has been selected by Dominion to administer their donations under this program.

How can the Georgia Private School Tax Credit benefit my child in attending Dominion?
Donors can designate a specific student to receive their scholarship donation (as long as the student is not a dependent). Therefore, if a student has relatives who pay Georgia Income Tax, the relatives can make a donation and specify the student to receive the scholarship. The donation cost is essentially zero to the relatives since they receive a dollar for dollar credit off their Georgia Income Tax and the student benefits by receiving a scholarship which can substantially reduce or eliminate the cost for tuition to the private school.

What benefits are there for donors that do not designate a specific student to receive a scholarship?
Donors can designate Dominion Classical Christian Academy to receive their scholarship donation. The board of Dominion will use general scholarship funds received for tuition assistance in the normal manner. Donors that do not designate a specific student to receive the scholarship may receive a federal deduction for their contribution in addition to the dollar for dollar state tax credit on their income tax return.
Georgia Qualified Education Expense Credit

In the coming days, Fulton Science Academy will enroll in a School Scholarship Organization (SSO). This will allow families the opportunity to redirect their Georgia Tax Dollars toward their student’s private school education thereby reducing their overall private school tuition by the amount that they redirect.

Under HB 1133, married tax filers can redirect up to $2500.00 and single tax filers can redirect up to $1000.00. This means that our student’s family can earn credit in the amount they deposit in the designated SSO, toward both their tuition and their GA taxes at the same time.

This contribution entitles you to take advantage of the Georgia Qualified Education Expense Credit.

For a rough example:
Let’s say you estimate that your family will pay $3000.00 in GA taxes this year. So as a married tax filer, you write a check to the SSO for $2,500.00. You would then receive a receipt via mail from the Georgia Department of Revenue indicating that you paid $2500.00 into this fund. When you pay your Georgia taxes at the end of the year, you would use this receipt to deduct the amount that you already paid and then pay the balance of your Georgia taxes. In our example, your total Georgia taxes are $3000.00, so you would use your $2,500.00 GA Department of Revenue receipt and then write an additional $500.00 to completely pay the taxes.

Once a School Scholarship Organization is chosen the process would be as follows (This is in process and has not happened yet, so this is for informational purposes only):
The SSO we choose will offer a streamlined method for contributing for a tax credit. You may choose to work with the School’s SSO Development Office. Otherwise, you would follow the simple instructions below:

1. Contribute to SSO
Send the following items directly to the SSO:
• A completed GOAL Tax Credit Form
• A copy of page 2 of Form IT-QEE-TP1 pre-approval form, signed by you at Part C (The SSO would complete the form for you and submit it to the Georgia Department of Revenue)
• A check made payable to "the SSO of choice." or credit card payment in the amount of your contribution (your payment will be deposited only when the SSO receives your Approval Letter from the DOR)

2. Claim the Credit
File your Georgia income tax return and take the credit.
• The SSO would send you Form IT-QEE-SSO1 contribution acknowledgment form
• A copy of Form IT-QEE-SSO1 would need to be filed with your tax return along with a short Form IT-QEE-TP2, which would be available at tax time
• The SSO would send the taxpayer filing guidance early the next year and/or would post taxpayer filing guidance on its website

By Georgia law, the taxpayer and the student scholarship organization will both receive a copy of the taxpayer's Approval Letter from the DOR. If you submit payment to the SSO, you would simply keep this Approval Letter for your records. The SSO would process your payment.

To receive the Qualified Education Expense Credit for 20XX, you must send your payment to the SSO by 12-31-20XX.
Additionally, corporations can elect to redirect up to 75% of their Georgia Taxes to a specific school, too. This would further help the families of our school and provide for much needed scholarships.

IMPORTANT: Please note, after FSA elects a School Scholarship Organization, we will provide a more detailed process, as well as, sample tax forms and filing information.
CCA
Scholarship Application Form

<table>
<thead>
<tr>
<th>Student’s Name(s) &amp; Grades (K5-12)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Potential Donors &amp; Amount Donated</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(Grandparents, Aunts, Uncles, etc…)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Parent’s Names</th>
<th>Father</th>
<th>Mother</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Home Address</th>
<th>Street Address</th>
<th>Street Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Home Phone</th>
<th>Work Phone</th>
<th>Cell Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

___ Yes ___ No Please indicate if the student(s) are Georgia residents currently enrolled in a Georgia secondary or primary public school or eligible to enroll in a qualified kindergarten program or pre-kindergarten program. If enrolled in a public school, which one ____________________________.

___ Yes ___ No Please indicate if you have made a contribution to the GA State Tax Credit program to benefit Covenant Christian Academy.

Please explain why you believe we should award your child(ren) scholarship funds.

____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
Georgia Private School Tax Credit

Please find below the information and resources to better explain the tax credit and your options for donating.

What is the Qualified Education Expense Credit?

This tax credit was passed into law in July, 2008. HOMS is excited about the law as it has financial benefits both for you and Harbour Oaks. The state has set aside $6 billion in available credits each year, distributed on a first come first served basis.

How can this tax credit benefit both the school and myself?

Under the new law, you can redirect a portion of your Georgia income tax liability to provide scholarship assistance to incoming students that are currently enrolled in public school. You will receive a tax credit on your state income taxes and a charitable contribution deduction on your federal taxes.

Income taxes for the amount donated. For married couples filing jointly, the maximum taxcredit-eligible contribution is $2,500 ($1,250 as an individual). If 3 couples designate their tax dollars in your child's name, your tuition is paid.

How does it work?

We have partnered with Pay It Forward Scholarships, a state approved Student Scholarship Organization (SSO), to enable the HOMS community to take advantage of this program. With a donation to the Pay It Forward Scholarships, a Georgia state income tax credit will be given back to you directly for the tax year the donation is made. Your donation can be used as a charitable contribution deduction on your Federal tax return.

Tax Credit Amounts by Filing Status

<table>
<thead>
<tr>
<th>For Individual</th>
<th>Married Filing Jointly</th>
<th>Corporate Donor</th>
</tr>
</thead>
<tbody>
<tr>
<td>A single individual or head of household will receive a credit against their Georgia income tax liability in an amount equal to the actual amount expended or $1,000 per taxpayer, whichever is less.</td>
<td>The amount of the tax credit is equal to the actual amount expended or $2,500 per taxpayer, whichever is less.</td>
<td>State income tax credit limit up to 75% of the corporation’s income tax liability or the actual amount donated, whichever is less.</td>
</tr>
<tr>
<td>Electronic filing of state individual income tax return will not be available for taxpayers claiming this credit.</td>
<td>Electronic filing of state individual income tax return will not be available for taxpayers claiming this credit.</td>
<td>Option to HOMS a dedicated scholarship fund in company’s name.</td>
</tr>
</tbody>
</table>

Who Qualifies for the Scholarship?

Any Georgia resident grades K-12.

How to Donate?

To learn more about the Pay It Forward Scholarship Fund, please visit www.payitfordscholarships.com or call the school at (770)978-8800

Start Now!
SCHOLARSHIP - SELECTION CRITERIA

Any student(s) eligible for a scholarship will be evaluated based on the following guidelines:

A. Participation in the Georgia Private School Tax Credit—SSO program
B. Dollar amount of referrals collected by SSO program
C. Financial need
D. Participation in FBCA service projects
E. Number of Children attending FBCA

GA Private School Tax SSO participation

PARENT PARTICIPATING IN SSO FOR 2010:

Last Name ___________________________________________ First Name ________________________________

AMOUNT FOR PARENT PARTICIPATION IN SSO FOR 2010 (per year):

☐ $2,500  ☐ $1,500 to $2,499  ☐ $500 to $1,499  ☐ $1 to $499

SSO referrals information

REFERRAL #1—PARTICIPATING IN SSO FOR 2010:

Last Name ___________________________________________ First Name ________________________________

ANTICIPATED AMOUNT FOR RREFERRAL #1 PARTICIPATION IN SSO FOR 2010 (per year):

☐ $8,000 and UP  ☐ $5,000 to $8,499  ☐ $2,500 to $4,999  ☐ $1,000 to $2,499  ☐ $1 to $999

REFERRAL #2—PARTICIPATING IN SSO FOR 2010:

Last Name ___________________________________________ First Name ________________________________

ANTICIPATED AMOUNT FOR RREFERRAL #1 PARTICIPATION IN SSO FOR 2010 (per year):

☐ $8,000 and UP  ☐ $5,000 to $8,499  ☐ $2,500 to $4,999  ☐ $1,000 to $2,499  ☐ $1 to $999

REFERRAL #3—PARTICIPATING IN SSO FOR 2010:

Last Name ___________________________________________ First Name ________________________________

ANTICIPATED AMOUNT FOR RREFERRAL #1 PARTICIPATION IN SSO FOR 2010 (per year):

☐ $8,000 and UP  ☐ $5,000 to $8,499  ☐ $2,500 to $4,999  ☐ $1,000 to $2,499  ☐ $1 to $999

REFERRAL #4—PARTICIPATING IN SSO FOR 2010:

Last Name ___________________________________________ First Name ________________________________

ANTICIPATED AMOUNT FOR RREFERRAL #1 PARTICIPATION IN SSO FOR 2010 (per year):

☐ $8,000 and UP  ☐ $5,000 to $8,499  ☐ $2,500 to $4,999  ☐ $1,000 to $2,499  ☐ $1 to $999

REFERRAL #5—PARTICIPATING IN SSO FOR 2010:

Last Name ___________________________________________ First Name ________________________________

ANTICIPATED AMOUNT FOR RREFERRAL #1 PARTICIPATION IN SSO FOR 2010 (per year):

☐ $8,000 and UP  ☐ $5,000 to $8,499  ☐ $2,500 to $4,999  ☐ $1,000 to $2,499  ☐ $1 to $999

We, the undersigned, do certify that all of the information contained in the application is both true and accurate to the best of our knowledge.

Signature ___________________________________________  by  ☐ Parent/Guardian A ☐ Parent/Guardian B  Date   mm/dd/yy  _______________________

Application #
Why You Need to Participate in this Voucher Program

GCA has partnered with the GA Student Scholarship Organization (GASSO) established to help Georgia families take advantage of the scholarship program established by Georgia House Bill 1133. This program promises to become an engine for GCA’s continued growth and strengthens our commitment to excellent education. Our goal is to provide all participating GCA families with tuition scholarships. There is no risk to you and the potential reward is partial tuition for your children at an excellent school.

Please Note:
A tax credit is not the same as a charitable donation. You will receive 100% of your contribution back off of your Georgia taxes.

If you choose not to participate, you continue to pay your tax dollars to the State of Georgia instead of Gwinnett Christian Academy, with no added value for your family.

So what do you need to do to receive a scholarship to GCA?

Complete and submit a public school enrollment form in the county in which you reside. This makes your child eligible to receive scholarship funds regardless of the school you choose to attend.

Apply to make a contribution to the GA Student Scholarship Organization (GA SSO). Paperwork will be available at the March 1st & March 10th meetings at 6:30 pm.

Make your contribution to the GA Student Scholarship Organization (GA SSO).

Apply for a scholarship to your student to attend GCA.
Montessori Academy of Sharon Springs

Scholarship Application Form
Georgia Student Scholarship Organization (SSO), Inc.

Parent’s Name ________________________________

Home Address ________________________________

____________________________________________

Telephone Number ______________________________

Student’s Name ________________________________

Student’s Date of Birth __________________________

School Name ________________________________

☐ Please check box: The student is a Georgia resident enrolled in a Georgia secondary or primary public school or eligible to enroll in a qualified kindergarten program or pre-kindergarten program.

Please list name(s) of person(s) you know that have donated to help the School’s general fund:

____________________________________________

____________________________________________

____________________________________________

____________________________________________

Families may apply for a scholarship once the student has been accepted to the private school they expect to attend.

Parent or Guardian’s Signature ____________________ Date __________

Return completed application to the school.

Georgia Student Scholarship Organization
107 Colony Park Drive, Suite 100
Cumming, GA 30040
georgiasso@hotmail.com

School use only

Scholarship Amount: ________ Approved by: __________________________ Date:__________
All students entering Grade 7, and all PBA students re-enrolling to enter Grade 7 or higher, must schedule an interview with administration. Any student entering the school in Grade 7 and higher must submit a Pastor’s Recommendation Form stating his faithfulness and character before admission will be granted. A new Pastor’s Recommendation Form must be submitted each school year for all students in Grades 7-12. Students must also give a clear testimony of their salvation experience. It is understood that any student in Grade 7 or higher will regularly attend his local church, maintain a good testimony, and complete a weekly Student Christian Activity Report as part of his Bible class grade.

**Agenda Books**

All students are issued agenda books at the beginning of the year. Agendas are covered in tuition cost and are used to record homework assignments, to relay messages between school and home, and to record permissions for hall passes. It is important that each student have his agenda in his possession during school hours and that parents check it each night for assignments and announcements. Replacement cost for a lost agenda is $10.

**Apogee Scholarship Fund**

Taxpayers can take the amount they pay for Georgia state income taxes and redirect it to a Student Scholarship Organization (SSO). Those choosing the Apogee Scholarship Fund can designate Peoples Baptist Academy as the recipient by entering the school name on the memo portion of their check. Those doing so will receive an income tax CREDIT against their Georgia income taxes for the amount of their contribution up to the limits shown below:

- Single Individual – $1,000
- Married Couples filing joint return, LLC and LLP – $2,500
- “C” Corporations – 75% of the corporation’s income tax liability
- $50 million allocated each calendar year for the entire program statewide
- Credits allocated on a first-come, first-serve basis

For example, for a family, married filing jointly, if Georgia state income taxes are $4,000, and they make the maximum contribution for the state tax credit of $2,500, they would only have to pay $1,500 in income taxes to the State of Georgia for that year.

Contributions received from this scholarship program promote school growth and increase enrollment. Over the past few years, some students have had to withdraw to enroll in public schools due to economic reasons. The school will use every opportunity to notify those families about the program, as well as encourage current school families to assist in increasing public awareness of this opportunity to be a blessing to other families who desire a Christian education for their children.

Parents or friends of the ministry who participate in Apogee will be eligible to have 10% of the amount donated credited to the account of a family of their choice.