

Who Benefits from Louisiana's Tuition Donation Credit Program?

A simple guide to the beneficiaries of the program
and who may donate through School Tuition Organizations (STOs)

1 Primary beneficiaries



Qualified students

Scholarships help eligible Louisiana K-12 students attend qualified schools.



Families

Families may receive help paying tuition and mandatory school fees.



Low-income households

The program is designed to expand opportunity for families with financial need.



Qualified schools

Participating schools benefit when scholarships help students enroll and stay in school.

2 Who can donate?



Louisiana taxpayers

A donor generally must be a taxpayer required to file a Louisiana income tax return.



Donate to an STO

Donations must go to a participating School Tuition Organization (STO).



Monetary donations

Cash or other monetary contributions are the typical qualifying donations.



Keep records

Donors should keep receipts and tax records for claiming the credit.

3 How the support flows



Taxpayer
donates



Louisiana STO
receives donation



STO funds
scholarships



Student attends
a qualified school

Private donations are turned into scholarship support for eligible students.

4 Important rules to know



Up to 95% credit

The program is commonly described as offering up to a 95% Louisiana state income tax credit.



Nonrefundable

The credit reduces Louisiana income tax liability but generally does not create a refund.



Carryforward

Unused credit may generally be carried forward for up to 3 years.



Most funds go to scholarships

At least 95% of donations generally go to scholarships; up to 5% may be used for administrative or promotional costs.



No earmarking

A donor generally cannot direct the donation to a specific student or school.

5 Simple takeaway



Louisiana
taxpayers



STO
donations



scholarship support
for students



potential Louisiana
tax credit

Always review current program rules and consult a qualified tax professional for your own situation.