

N I C S T O

Northwest Iowa Christian Schools Tuition Organization • 204 Kentucky Ave NW • Orange City, IA 51041

EDUCATIONAL OPPORTUNITIES ACT: THE BEST NEWS FOR CHRISTIAN SCHOOLS AND IOWA TAXPAYERS

The Educational Opportunities Act allows Iowa residents, C corporations, S corporations, LLC, Partnership, etc. to receive a **75% direct tax credit** for contributions made to school tuition organizations throughout Iowa. Contributions are also eligible for Federal tax deductions.

What is a school tuition organization?

School tuition organizations (STOs) receive charitable contributions from individuals and corporations that pay Iowa income tax and redirect this money in the form of tuition grants to eligible students. Eleven STOs have formed across Iowa to represent various accredited, nonpublic schools.

What is NICSTO?

NICSTO or Northwest Iowa Christian School Tuition Organization represents sixteen Christian schools throughout Northwest Iowa who benefit directly from donations to NICSTO.

Is there a difference between a tax credit and a tax deduction?

A tax deduction simply reduces the total amount of income on which your tax is computed. On the other hand, a tax credit is taken directly off the amount you owe or paid in state taxes, making it much better than a deduction. People that may have always wanted to support Christian education now have a very tax efficient opportunity to do so.

Is there a limit on how much one person can give, or how much a STO can receive?

There are **no** individual gift limits. Gifts can be received in cash or grain. However, each STO has a cap on the total amount of tax credits it may issue. Each STO's cap is determined by Iowa Department of Revenue.

Who may receive tuition grants?

The law restricts tuition grants to students living in households with income that does not exceed three times the federal poverty guideline. STOs may set additional eligibility requirements.

What does the Educational Opportunities Act mean to Northwest Iowa Christian Schools?

It means that Christian education is more accessible to many more families. Through donations to NICSTO, many families who have children in Christian schools will receive some tuition help. For more information about NICSTO and how you can contribute and receive a tax credit, contact a representative of one of the following Christian schools who is a member of NICSTO:

**Hull Christian School • Hull Protestant Christian School • Ireton Christian School
Inwood Christian School • Kanawha Christian School • North Iowa Christian School
Netherlands Reformed Christian School • Northwest Iowa Protestant Christian School
Orange City Christian School • Rock Valley Christian School • Sanborn Christian School
Sheldon Christian School • Sioux Center Christian School • Siouxland Christian School
Unity Christian High School • Western Christian High School**