

FOR IMMEDIATE RELEASE

GENERAL ASSEMBLY EXTENDS RHODE ISLAND CORPORATE SCHOLARSHIP TAX CREDIT ELIGIBILITY

Rhode Island S-Corporations, Limited Liability Partnerships, and Limited Liability Corporations can now receive a substantial tax credit for contributions that provide private school tuition scholarships to economically disadvantaged children. Applications must be filed by June 30th to count towards 2007 tax returns.

PROVIDENCE, JUNE 26 – Last year the General Assembly created the Rhode Island Corporate Scholarship Tax Credit, which allows corporations to help lower-income families afford private school tuition for their children in return for a substantial tax credit. Thanks to new language passed in the 2008 state budget, program eligibility, initially only open to C-Corporations, has been extended to also include S-Corporations, Limited Liability Partnerships (LLPs), and Limited Liability Corporations (LLCs). Newly eligible businesses interested in making scholarship contributions should file their tax credit applications by June 30th in order for the credit to apply to their 2007 tax returns.

“We are thrilled that the General Assembly has extended the eligibility of the Rhode Island Corporate Scholarship Tax credit program,” says Donna McGowan, Executive Director of the Rhode Island Scholarship Alliance (RISA). “Now even more Rhode Island businesses can take the credit for helping economically disadvantaged kids afford a quality education.”

RISA is the alliance of school choice advocates and scholarship granting organizations (SGOs) working to promote educational opportunities for economically disadvantaged students through the tax credit program. SGOs are charitable organizations representing two or more private schools established to administer tuition assistance grants to eligible students. Currently, there are four certified SGOs representing more than 60 private schools throughout the state.

The scholarship tax credit program allows eligible businesses to receive up to a 90% tax credit on tuition scholarship contributions. The program has an annual tax credit cap of \$100,000 per business. Once the program has reached a total of \$1 million in approved tax credits for eligible businesses, no further tax credit applications will be accepted until July 1, 2007 (for fiscal year 2008). Businesses can choose to make a two-year contribution commitment which will maximize the amount of tax credit they can receive.

To date, corporate contributions totaling over \$774,000 have been pledged to RISA and the scholarship tax credit program by a wide range of companies including Bank of America, Citizens Bank, CVS Pharmacy, Inc., Amica Insurance, Dykeman Electrical Contractors, Warren Equities, and Chatterton Insurance Agency.

Any family with a household income of 250% or less of the federal poverty level—approximately \$50,000 for a family of four—is eligible to apply for tuition assistance. There are over 90,000 families in Rhode Island who qualify for the program.

More information for eligible businesses and parents—including applications forms and a list of SGOs and participating schools—is available at <http://www.rischoolshipalliance.org> or by contacting RISA at (401) 737-7472.

###

Contact:
Chris Hunter
401-831-3700 x105
chunter@advocacysolutionsllc.com