

Overview of the Opportunity Scholarship Tax Credit Program
From 2018-2019 Testing data

If you wish to take advantage of this opportunity for your child to attend another school, you must go to the Department of Community and Economic Development (DCED) website www.newpa.com/ostc to review the list of scholarship organizations for the school districts and nonpublic schools that are participating in this program. DCED has information regarding the application process. Scholarships are contingent upon available funding.

Additional information was sent home to the Kindergarten students and students in grades 7-12 as well as the PA Department of Education website <http://www.education.pa.gov/K-12/Opportunity%20Scholarship%20Tax%20Credit%20Program/Pages/default.aspx#tab-1>



Overview of the Opportunity Scholarship Tax Credit Program

Establishment: The Opportunity Scholarship Tax Credit Program provides scholarships to eligible students who wish to attend a participating public or nonpublic school of their choice.

Eligibility: The Opportunity Scholarship Tax Credit Program allows businesses to contribute to an opportunity scholarship organization that provides funding to eligible students who reside within the attendance boundaries of a low-achieving school. A low-achieving school is defined as a public elementary or secondary school in Pennsylvania that ranks in the bottom 15 percent of its designation as an elementary or secondary school based on combined Mathematics/Algebra 1 and Reading/Literature scores on the most recent annual assessment (PSSA, and/or Keystone). This term does not include a brick-and-mortar charter school, cyber charter school or area vocational-technical school. Students (including students entering kindergarten) who reside within the boundaries of a low-achieving school as of the first day of classes will be eligible to apply for an opportunity scholarship. Eligible students may include children residing within the boundaries of a low-achieving school who:

- Currently attend a low-achieving school;
- Are currently enrolled in a non-public school;
- Were previously home schooled; or
- Were previously attending a charter or cyber charter.

Eligible students are defined as those school-age children living in the attendance boundary of a low-achieving school as of the first day of classes. The income information and information on additional allowances for people with disabilities can be found on the Department of Community Economic Development's (DCED) website at: www.newpa.com/ostc

The Pennsylvania Department of Education (PDE) will annually publish a list of the bottom 15 percent of elementary schools and the bottom 15 percent of secondary schools.

Continuation of Scholarship: A scholarship organization may award a scholarship to an applicant who resides within the attendance boundary of a low-achieving school to attend a participating public school or a participating nonpublic school selected by the parent of the applicant. If an applicant who received an opportunity scholarship under

for the prior school year resides within the attendance boundary of a school that was removed from the list of low-achieving schools provided by the department, the applicant may receive an educational opportunity scholarship. The scholarship may be for each year of enrollment in a participating public school or participating nonpublic school for up to the lesser of five years or until completion of grade 12 provided the applicant otherwise remains eligible.

Funding: Opportunity scholarships are funded by businesses making contributions to scholarship organizations in exchange for a tax credit. The amount of scholarships cannot exceed the amount of business contributions made to scholarship organizations. Even if a student is eligible for a scholarship, that scholarship is contingent upon funds being available.

Requirements: The scholarship can only be used for tuition costs and school-related fees at the participating nonpublic school or nonresident public school district. A scholarship shall not be awarded for enrollment in a home education program. The combined amount of scholarship and additional financial aid may not exceed the tuition rate and school-related fees associated with the participating school. Scholarship funds received by a parent are not considered taxable income. A participating public or nonpublic school may not charge a higher tuition rate than its normal rates for non-participating students.

Transportation: A resident school district that provides transportation to its own students must provide transportation for a resident student attending a participating nonpublic school that is located within 10 miles of the resident school district's boundaries. A resident school district that provides transportation to its own students may provide transportation for a resident student attending a nonresident public school that is located within 10 miles of the resident school district's boundaries.

How to Apply for an Opportunity Scholarship: Opportunity scholarships will be awarded by approved opportunity scholarship organizations, not the Pennsylvania Department of Community and Economic Development (DCED) nor PDE. The list of opportunity scholarship organizations is available on DCED's website at, www.newpa.com/ostc. This link provides specific instructions on how to contact approved opportunity scholarship organizations. Approved opportunity scholarship organizations will provide details regarding their application process. Parents should work through the approved opportunity scholarship organizations, not DCED, to participate in this program.

Awarding of Scholarships: In awarding an opportunity scholarship, a scholarship organization shall give preference to eligible applicants who:

- Received a scholarship for the prior school year;
- Who meet certain income limits; or
- Who meet certain income limits and who reside in a first class school district, a district with an average daily membership greater than 7,500 that has received an advance of its basic education subsidy, or a district that has received an advance of its basic education subsidy and is either subject to a declaration of financial distress under section 691 of the Public School Code or is engaged in litigation against the commonwealth in which the school district seeks financial assistance from the commonwealth to allow the school district to continue to operate.

Parental Responsibilities: Under the program, parents are responsible for contacting and enrolling their students in a participating public or nonpublic school.