



**Invest in  
Education  
Foundation**

# **Changing Lives in the Catholic Community**

**Discovering the Federal Tax Credit  
Scholarship Program**





## A National Catholic Opportunity

On July 4, 2025, a new federal tax credit scholarship program was signed into law that creates an unprecedented opportunity to empower families to access Catholic education for their children. Beginning in 2027, this tax credit has the potential to generate billions of dollars in private scholarships that could expand Catholic education in all 50 states.

### How It Works



**\$1,700 Federal Tax Credit:** Taxpayers can claim a 100% non-refundable federal tax credit for donations to approved Scholarship Granting Organizations (SGOs).



**State Opt-In Required:** Governors of every state must opt-in to the federal tax credit scholarship program in order for students in that state to benefit.



**Flexible Use of Scholarships:** Scholarships can be used for tuition, tutoring, special needs services, technology, and educational supplies, among other eligible uses.



**Scholarship Eligibility:** Eligibility up to 300% of regional median income - more than 90% of households - are eligible to receive scholarships.

## Why It Matters for the Church

There are over 50 million Catholic adults in the U.S.

**The scale of impact is unmatched.**



**1.5M+**  
National K-12  
enrollment



**16,000+**  
Parishes



**190+**  
Dioceses and  
Archdioceses



**5,800+**  
Catholic Schools

## Turning Participation Into Opportunity

**2,000,000**

households  
participating

*\$1,700 maximum  
allowable tax credit*

**\$3.4 billion**

in private  
charitable dollars

**≈1.13 million**

scholarships for  
eligible students

*with an average  
\$3,000 scholarship*

**1,000**

households  
participating

*\$1,700 maximum  
allowable tax credit*

**\$1.7 million**

in private  
charitable dollars

**≈550+**

scholarships for  
eligible students

*with an average  
\$3,000 scholarship*



## Preparing the Catholic Community

To ensure Catholic families can benefit beginning in 2027, dioceses and parishes should activate now by engaging in the following activities:



**Organize** and **Encourage** governors to opt in by creating coalitions with school leaders, parish networks, and other community organizations.



**Develop** engagement strategies, plans, and tactics to **communicate and educate** the Catholic community about the tax credit.



**Establish** a new or partner with existing scholarship granting organizations.

