



# Indiana Department of Education

## Indiana School Scholarship Tax Credit Scholarship Granting Organization (SGO) Program Frequently Asked Questions 2026-2027 School Year

This FAQ contains general information about SGOs for both parents/guardians of prospective students and individuals or entities who may make a donation to an SGO. Donations to an SGO must be designated to be used by the SGO in a school scholarship program in order to qualify for a tax credit.

General Information for Parents and Donors		
Number	Question	Answer
1	<b>What is an SGO?</b>	An SGO is an organization that awards school scholarships to eligible students. Qualified SGOs receive funding for school scholarships from private, charitable donations. Those who have donated to an SGO that has been certified by the Indiana Department of Education (IDOE) will then be eligible to take advantage of a 50% credit against their individual or entity's state tax liability.
2	<b>How does an organization become an SGO?</b>	An organization that seeks certification as an SGO must submit an application, agreement, and documents that establish eligibility under applicable statutes and rules to IDOE. The documents must include: <ul style="list-style-type: none"><li>• Proof of 501(c)(3) status</li><li>• Proof, through articles of incorporation or other documents, that the organization is organized at least in part to grant school scholarships</li><li>• Program policies</li><li>• Program procedures</li><li>• Promotional or descriptive materials about the program, including eligibility criteria and application forms</li></ul> The application and supporting documents are submitted to IDOE via email to <a href="mailto:ChoiceSchool@doe.in.gov">ChoiceSchool@doe.in.gov</a> for review and certification.
3	<b>What SGOs are currently certified and participating in the school scholarship program?</b>	There are currently seven participating SGOs: <ul style="list-style-type: none"><li>• Community Foundation of Elkhart County</li><li>• Institute for Quality Education, Inc.</li><li>• Legacy Foundation</li><li>• The Lutheran Scholarship Granting Organization of Indiana, Inc.</li><li>• Professional Athletes of Indiana</li><li>• Sagamore Institute Scholarship for Education Choice</li><li>• School Scholarship Granting Organization of Northeast Indiana, Inc.</li><li>• Indiana Foundation for Education Advancement</li></ul> Contact information for each SGO is available on IDOE's School Scholarship <a href="#">webpage</a> .



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4	<b>What schools participate in the SGO Program?</b>	A list of SGO participating schools can be found on the School Scholarships <a href="#">webpage</a> . Schools interested in participating in the program should contact a specific SGO for information. A list of SGOs and their contact information is posted on the <a href="#">webpage</a> .																																		
5	<b>Are there any rules regarding the scholarship award amounts granted by the SGO?</b>	State law does not place a minimum or maximum award amount on SGO Scholarships. SGOs determine their policies on the amounts of awards granted.																																		
6	<b>What are the reporting requirements for SGOs?</b>	Indiana code (IC) 20-51-3-6 and IC 20-51-3-10 require SGOs to file an annual report with IDOE that lists the total number and total dollar amount of scholarships awarded in the previous school year. Additionally, SGOs must contract with an independent certified public accountant for an annual financial audit that must be provided to IDOE - and may be requested by a member of the public.																																		
7	<b>What are the income requirements for a student to qualify for an SGO?</b>	<p>In accordance with IC 20-51-1-5, the student must be a member of a household with an income below 400% of the amount to qualify for the National School Lunch Program. The amounts below are for the 2026-2027 school year.</p> <table border="1"><thead><tr><th colspan="2">Choice Income Guidelines</th></tr><tr><th>#household members</th><th>400% of Free/Reduced Price Lunch Eligibility Annual Household Income Limit*</th></tr></thead><tbody><tr><td>1</td><td>\$118,104.00</td></tr><tr><td>2</td><td>\$160,136.00</td></tr><tr><td>3</td><td>\$202,168.00</td></tr><tr><td>4</td><td>\$244,200.00</td></tr><tr><td>5</td><td>\$286,232.00</td></tr><tr><td>6</td><td>\$328,264.00</td></tr><tr><td>7</td><td>\$370,296.00</td></tr><tr><td>8</td><td>\$412,328.00</td></tr><tr><td>9</td><td>\$454,360.00</td></tr><tr><td>10</td><td>\$496,392.00</td></tr><tr><td>11</td><td>\$538,424.00</td></tr><tr><td>12</td><td>\$580,456.00</td></tr><tr><td>13</td><td>\$622,488.00</td></tr><tr><td>14</td><td>\$664,520.00</td></tr><tr><td>15*</td><td>\$706,552.00</td></tr></tbody></table> <p>*For each additional household member, add \$42,032.</p> <p>2026 federal poverty levels are posted at: <a href="https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines">https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines</a></p>	Choice Income Guidelines		#household members	400% of Free/Reduced Price Lunch Eligibility Annual Household Income Limit*	1	\$118,104.00	2	\$160,136.00	3	\$202,168.00	4	\$244,200.00	5	\$286,232.00	6	\$328,264.00	7	\$370,296.00	8	\$412,328.00	9	\$454,360.00	10	\$496,392.00	11	\$538,424.00	12	\$580,456.00	13	\$622,488.00	14	\$664,520.00	15*	\$706,552.00
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8	<b>Does income need to be re-verified each year?</b>	Yes. Household income must be verified by the SGO for each year that a student is applying for the scholarship.
9	<b>Are there eligibility requirements in addition to household income?</b>	Yes. A child must have legal settlement in Indiana and be at least four years of age and less than 22 years of age on or before August 1 in the year in which they are applying for an SGO award. Additionally, the student must be enrolled in a participating school.  While SGOs must conform to the requirements set forth in IC 20-51, they may determine additional requirements in their policies for eligibility and award amounts. Parents should work with the school in which they are enrolling their child to determine if their student will qualify for an SGO award.
10	<b>Is it allowable to use an SGO for pre-K tuition?</b>	Yes. SGO Scholarships may be used for pre-K tuition at participating schools. Parents should work with the school in which they are enrolling their pre-K child to determine if their student will qualify for an SGO award.
11	<b>If used for pre-K, does the pre-K need to be full time?</b>	State law does not prescribe the number of days or amount of time required for a pre-K program. Parents should work with the school in which their student is going to attend the pre-K program to determine if they will qualify and the amount of the SGO award.
12	<b>How does an application for an SGO get submitted?</b>	To apply for an SGO award, the parent/guardian should contact the participating school in which they intend to enroll their student. The school will work with the parent/guardian to complete the SGO application.
13	<b>Are Choice Scholarships and SGO Scholarships the same?</b>	No. The Choice Scholarship Program provides state funded scholarships to eligible Indiana students to offset tuition costs at participating schools. SGO Scholarships are funded by private, charitable donations and awarded by a certified SGO to eligible students.
14	<b>Can a student who receives an SGO award also receive a Choice Scholarship?</b>	Yes. A student who meets the requirements for a Choice Scholarship may also qualify for an SGO Scholarship in the same year.



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15	<b>What is the total limit on contributions to SGOs?</b>	There are no limits to the amount a donor can contribute to a qualified SGO, however, the entire tax credit program cannot award more than \$18.5 million in credits for the fiscal year ending June 30, 2023, and each fiscal year thereafter as outlined in IC 6-3.1-30.5-13.
16	<b>Where can I find if there are tax credits available?</b>	The Indiana Department of Revenue (IDOR) provides the total credits awarded to date on their School Scholarship Credit <a href="#">webpage</a> .
17	<b>How do I claim a credit for my donation to an SGO?</b>	When a donation is made, a tax credit ID number is created, the SGO should communicate this number to you. The School Scholarship Credit Form, IN-OCC is the tax form that is required to be completed to claim the credit. A link to the tax form is posted on the IDOR webpage <a href="#">here</a> .
18	<b>Can a donor designate a specific school for their contribution to be used?</b>	Yes. In accordance with IC 20-51-3-3, a donor may designate a participating school for which the contribution must be used as scholarships.
19	<b>Can an SGO limit participation to one school?</b>	Pursuant to IC 20-51-3-5, an SGO may not limit the availability of scholarships to students of only one participating school; and, the schools for which an SGO designates scholarships cannot have paid employees (or a household relative of a paid employee) in common with the SGO.
20	<b>Can a donor designate a specific student to receive the donation as an SGO?</b>	If a donation is made on behalf of an individual student, that would be considered a tuition payment - rather than an SGO donation - and thus would not be eligible for the tax credit.

For additional information, please email [ChoiceSchool@doe.in.gov](mailto:ChoiceSchool@doe.in.gov).