



*i*nformational Bulletin

David Harris, Director

Changes to the Invest in Kids Program

To: All Illinois taxpayers

This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

For information visit our website at:
tax.illinois.gov, or
investinkids.illinois.gov

To apply for an Invest in Kids income tax credit, visit:
mytax.illinois.gov

For assistance setting up your MyTax Illinois account, call us:
1 800 732-8866
217 785-3707

Hours:
Monday through Friday,
8:00 a.m. - 5:00 p.m.

The Invest in Kids Act was amended by [Public Act 102-0016](#). Changes to the Act include:

- the expansion of qualified non-public schools receiving scholarships from Scholarship Granting Organizations (SGOs) to include qualified technical academies, and
- extending the sunset date of the Act to include tax years ending before January 1, 2024.

What is a qualified “technical academy”?

A technical academy is a non-public school located in Illinois that registers with the State Board of Education pursuant to [Section 2-3.25 of the School Code](#) and operates, or will operate, a jointly administered Career Technical Education (CTE) program as the primary focus of the school. To maintain its status as a technical academy and to qualify to receive money from Invest in Kids scholarships, the non-public school must obtain recognition from the Board pursuant to Section 2-3.25o of the School Code within 2 calendar years of its registration with the Board.

Has the process to be approved to contribute in the Invest in Kids Program changed?

Interested taxpayers must still apply to the Illinois Department of Revenue (IDOR) using [MyTax Illinois](#) for approval to contribute to the Invest in Kids Program. The only change to the approval process is the addition of a new screen in MyTax Illinois which requires the taxpayer to choose whether their contribution will be designated for use as scholarships for qualified technical academies or for qualified non-public schools in an Invest in Kids region.

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Will I still get a credit for my contributions if I designate them for use as technical academy scholarships?

Yes. Illinois taxpayers who are approved to participate in the Invest in Kids program will receive a state income tax credit equal to 75 percent of their total qualified contributions made to one or more SGOs during a taxable year, regardless if their contributions are designated for use as scholarships to qualified technical academies or to other qualified schools. The credit cannot exceed \$1 million per taxpayer, per year and cannot be taken if any portion of the contribution is claimed as a federal income tax deduction.

Note: Two individuals filing a joint return in Illinois shall be considered one taxpayer for purposes of making qualified contributions.

How do I make a contribution and get an Invest in Kids income tax credit for contributions designated for use as technical academy scholarships?

Interested individual or business taxpayers must apply online to IDOR for approval to make contributions using MyTax Illinois at mytax.illinois.gov. To access the approval application in MyTax Illinois:

1. Login to the MyTax Illinois account.
2. Once in the MyTax account, select "View more account options" listed under the income tax account.
3. Under "Account Options", select "Contribute to Invest in Kids" hyperlink to request the income tax credit.

During the application process, taxpayers will designate what types of scholarships their contribution funds will be directed to, in this case to qualified technical academies instead of other qualified non-public schools in an Invest in Kids region. Approval is granted automatically as long as the technical academy and statewide thresholds have not been met.

A Contribution Authorization Certificate (CAC) is issued to the applicant by IDOR within three business days of approving the application for income tax credit. The contribution must then be remitted to the SGO within 60 days after the issuance date on the CAC. A copy of the CAC should be provided to the SGO when the contribution is made.

Within 30 days of receiving the contribution, the SGO will issue the contributor a Certificate of Receipt (COR) that will need to be retained in the contributor's books and records to support any income tax credit taken on an income tax return.

The Invest in Kids income tax credit application for individual and business taxpayers is available through MyTax Illinois on the first business day of each calendar year. Income tax credits, including credits for contributions to technical academies, are awarded on a first-come, first-serve basis.

Is there an income tax credit limit for contributions designated for use as technical academy scholarships?

Income tax credits for contributions designated for use as technical academy scholarships are not limited in the same manner as income tax credits for contributions for use as scholarships to other non-public schools. Income tax credits for contributions to technical academies are awarded without regard to regions, whereas, for income tax credits for contributions to other non-public schools, Illinois is divided into five regions, each with a threshold proportional to enrollment in the region.

The income tax credits for contributions to technical academies are limited to 15% of the \$75 million in income tax credits IDOR can issue per calendar year.

If I make a contribution for scholarships to a qualified technical academy, can I make contributions to other qualified non-public schools as well?

Interested individual or business taxpayers may contribute to more than one type of qualified non-public school including technical academies. A new CAC is required for each different type of school or SGO that a taxpayer wants to contribute to.

How do I know which SGOs are registered to give scholarships for technical academies?

IDOR has a list of approved SGOs at <https://www2.illinois.gov/rev/programs/InvestInKids/SGO/Pages/ApprovedSGOs.aspx>. This list shows which SGOs are registered to grant scholarships to technical academies, as well as which regions each SGO are registered to grant scholarships in.

In addition, when choosing an SGO during the application process to contribute to technical academies, the system will populate only the SGOs that are registered to grant scholarships to technical academies.

Where can I get additional information?

- Visit the Invest in Kids resource page at: investinkids.illinois.gov
- For help in registering for a MyTax Illinois account, visit the authentication guide at: <https://www2.illinois.gov/rev/programs/mytax/Pages/authenticationguide.aspx>
- See [FY 2018-15, Invest in Kids Act - Income Tax Credit for Illinois Taxpayers](#)