



IOWA ALLIANCE  
FOR CHOICE IN EDUCATION

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## **Iowa Businesses Now Able to Support Private Education** *Tax Credit Now Offered for Corporate Support of School Tuition Organizations*

**DES MOINES, Iowa – May 27, 2009** – Thanks to a late-night [bill signing](#) at the Iowa State Capitol, Iowa businesses may now participate in one of the largest tax credit programs in the state which previously had been available only to individuals. Iowa businesses that donate to [School Tuition Organizations](#) (STOs) will receive an Iowa income tax credit of 65 percent of the donation amount.

“Individual donations to STOs already constituted the largest individual tax credit program in the state,” says [Trish Wilger](#), executive director of [Iowa ACE](#) a nonprofit organization that serves as the statewide voice for school choice in Iowa. “Opening this program to businesses means that Iowa children will have greater resources to attend the best school for their needs.”

Iowa STOs are authorized to disburse a total of \$7.5 million in tax credits statewide for the 2009 tax year. The bill signed by Iowa [Governor Chet Culver](#) last night stipulates that businesses may receive no more than 25 percent of the total amount set aside for tax credits, effectively capping corporate tax credits at \$1,875,000. Further details of the bill, such as when donations from businesses will be eligible for tax credit, are not yet determined.

Approximately 34,000 Iowa children receive their education in nonpublic schools each year. STOs distribute at least 90 percent of donations received as tuition grants to low and middle-income families who wish to send their children to an accredited nonpublic school in Iowa.

“Recipients of these grants have the option to choose the school that best meets their child’s needs. Without this assistance, many Iowa families would not have a choice regarding their child’s education,” says Wilger.

*Founded in 2005, Iowa Alliance for Choice in Education (Iowa ACE) is a nonprofit organization formed by advocates of nonpublic education to promote the expansion of school choice for the benefit of Iowa’s children. Iowa ACE represents more than 20,000 nonpublic school parents and advocates of nonpublic education throughout the state. For more information, please visit [www.iowaace.org](http://www.iowaace.org).*

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