



Dear Friend of Saint Mary's School,

A great opportunity exists to help our students, our families, and our school because of a change made to the tax laws of the State of Georgia in 2008. People who pay income tax to the State of Georgia can now receive a tax credit for making a donation to GRACE Scholars, Inc. and direct the funds to support our school. **Instead of paying a portion of your income taxes to Georgia, consider using this money to fund scholarships at Saint Mary's School.**

In 2008, Archbishop Gregory and Bishop Boland formed GRACE Scholars, an organization dedicated to providing tuition assistance to children with need entering Catholic Schools throughout Georgia. For Saint Mary's School, the GRACE Scholarships would be eligible to *new* students *with need* who are entering Pre-K or who are transferring in from a Georgia public school in which they have been attending for at least one calendar year. The amount of the GRACE Scholarship granted is *guaranteed every year* for the recipient's *entire educational career* at Saint Mary's School.

Rather than a typical charitable contribution, your Georgia tax liability for 2010 would be reduced by 100% of the amount you donate to GRACE. Simply put, your money is going out the door either to the state or GRACE—why not help someone who could not afford a Catholic education without GRACE? Furthermore, you can designate 100% of your donation to directly come to Saint Mary's School!

If you will pay income tax to the State of Georgia for 2010 and can afford to make a donation to GRACE Scholars, Inc., this program is for you. Please consider participating this year. This program is a very effective way to give to our families, our school, and our society with **little or no cost to you.** In addition to receiving your GRACE contribution back on your GA tax return, you can claim the full amount as a "charitable contribution" on your Federal tax return!

Call Gina D'Urbano at (706) 234-4953 ext. 25 or e-mail gdurbano@smsrome.org if you have questions. Help make a quality Catholic education more affordable for everyone!

To learn more about this program, please go to the GRACE Scholars, Inc. website, www.gracescholars.org, or see the Georgia Department of Education website, http://public.doe.k12.ga.us/pea_policy.aspx?PageReq=PEAHB1133.

God bless,

Gina D'Urbano

401 East 7th Street * Rome, Georgia 30161* Phone (706) 234-4953* Fax (706) 234-3030

GRACE Tuition Tax Credit Process

Four Steps

- 1) Send form to GA Department of Revenue seeking permission to make the donation.
 - 2) Receive permission from the GA Department of Revenue; ***within 30 days*** send your check, copy of approval form (TP-1), and your school designation form to the GRACE Scholars, Inc.
 - 3) Receive a completed acknowledgement form from GRACE to include in your 2010 Georgia income tax return.
 - 4) Apply the 100% tax credit against your 2010 Georgia income tax and take your contribution to GRACE as a charitable contribution on your Federal tax return.
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TAX FILING STATUS	TAX CREDIT LIMIT (you can re-direct/contribute up to this amount)
Individual Filing Single or Head of Household	\$1,000
Married Filing Jointly	\$2,500
Married Filing Separately	\$1,250
C Corp	75% of GA tax liability
S Corp, LLC or Partnership	Same as limit of owners

Step 1

Ask permission from the State

- a. Complete Georgia Form IT-QEE-TP1 (TP1 Form) pre-approval form. A copy is enclosed. Copies are also available on the "Two-Step Contribution Process" section of www.gracescholars.org
- b. Sign the pre-approval form.
- c. Mail to:
Georgia Dept. of Revenue
Qualified Education Expense Credit
1800 Century Blvd. NE
Suite 8301
Atlanta, GA 30345
- d. Wait up to 30 days for approval. Georgia Dept. of Revenue will send back the IT-QEE-TP1 with the section D. "For Department Use Only" section completed and approved.

Step 2

Receive permission from the State; make school designation and donation to GRACE within 30 days

- a. There is a \$50 million annual cap on the amount of tax credits that will be awarded. If the \$50 million annual cap has not been reached, within 30 days of filing your pre-approval form, you should receive the approved copy of the IT-QEE-TP1(TP-1) form back from the Georgia Dept. of Revenue.
- b. Once you receive the approved form(TP-1), you have **30 DAYS** to send the following:

1) Send

- * **Your contribution check made payable to “GRACE Scholars, Inc.” with the school designated in the memo section**
- * **a copy of the approved TP1**
- * **The School Designation Form (a copy is enclosed).**

Mail to:

GRACE Scholars, Inc.
680 West Peachtree Street, NW
Atlanta, GA 30308

- 2) Be sure to *keep* the original of the approved form (TP-1) and a copy of your contribution check for your tax file.

Step 3

Received completed form from GRACE

- a. After GRACE receives your donation, GRACE will send you a completed Georgia TSD-SSO1 Acknowledgement Form.

Step 4

Using the credit

- a. Federal and State returns may be electronic. If you file a paper return, be sure to attach the TSD-SSO1 and the TP-2 with your return.
- b. Claim 100% tax credit on you GA tax return: Georgia Adjusted Gross Income by adding back GRACE donation on the GA form 500, Schedule 2, line 4. List GRACE donation as the Qualified Education Expense Credit.
- C Claim GRACE donation as a charitable deduction on Federal Return.

Thank you for helping provide financial aid to deserving Georgia Families!



Designation Form

TP1 Approval Date: ___/___/___

Please mail this form with your check to:

G.R.A.C.E. Scholars, Inc.
680 West Peachtree Street, NW
Atlanta, Georgia 30308

Name: _____

Parish: _____

E-mail Address: _____

Telephone: _____ (Please Indicate: Home/Work/Cell)

Home Address: _____

I am enclosing a check for \$_____ as my tax-credit donation to G.R.A.C.E. Scholars.

G.R.A.C.E. Scholars, Inc allows donors to designate the scholarship money for economically disadvantaged students only or for certain schools. If the donor would like the G.R.A.C.E. Scholars Board to determine students and schools with the greatest need and distribute funds, this form is optional. If the scholarship needs are already filled at the specified school, the money will then go to the place with the most need so as not to violate state laws about annual distribution of funds.

Please note, it is not possible to designate scholarships to specific individuals or families, only to be awarded at a particular school or for a particular income level.

Please choose up to three of the following options and list the amount for each entity up to the total amount of the donation:

(\$ _____) St. Mary's Catholic School

(\$ _____) G.R.A.C.E. Scholars, Inc. Board Choice

(\$ _____) Economically Disadvantaged Family Fund

* Certain independent Catholic schools may have partnered with other Student Scholarship Organizations (SSO). The amount designated will be forwarded to their partner SSO with the form.