

# Faith First GA, Inc.

1000 Whitlock Avenue Suite 320, PMB 345 Marietta, Georgia 30064

Potential Donor

Re: Notice of Requirements of O.C.G.A. § 48-7-29.13

To Whom it May Concern:

Please be advised that Faith First GA, Inc. ("FFG"), a Georgia Nonprofit Corporation, is acting as a Student Scholarship Organization under O.C.G.A. § 20-2A-1, *et seq.* As a Student Scholarship Organization, FFG is required by law to provide notice of the requirements of O.C.G.A. § 48-7-29.13. As such, please find enclosed a copy of this statute. FFG does not provide tax advice or consultation and recommends that you consult with your tax advisor as to the application of this code section to your circumstances.

If you have any questions or comments, please do not hesitate to contact me at your earliest convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jonathan D. Crumly, Sr.', is centered on a light green rectangular background.

Jonathan D. Crumly, Sr., Chief Legal Officer

Enclosure

PROVIDING RESOURCES FOR CHRIST CENTERED EDUCATION OF FUTURE GENERATIONS  
DEUTERONOMY 6:7

O.C.G.A. § 48-7-29.13

(a) As used in this Code section, the term:

(1) 'Qualified education expense' means the expenditure of funds by the taxpayer

during the tax year for which a credit under this Code section is claimed and allowed to a student scholarship organization operating pursuant to Chapter 2A of Title 20 which are used for tuition and fees for a qualified school or program.

(2) 'Qualified school or program' shall have the same meaning as in paragraph (2) of Code Section 20-2A-1.

(3) 'Student scholarship organization' shall have the same meaning as in paragraph (3) of Code Section 20-2A-1.

(b) An individual taxpayer shall be allowed a credit against the tax imposed by this chapter for qualified education expenses as follows:

(1) In the case of a single individual or a head of household, the actual amount expended or \$1,000.00 per tax year, whichever is less; or

(2) In the case of a married couple filing a joint return, the actual amount expended or \$2,500.00 per tax year, whichever is less.

(c) A corporation shall be allowed a credit against the tax imposed by this chapter for qualified education expenses in an amount not to exceed the actual amount expended or 75 percent of the corporation's income tax liability, whichever is less. In the case of an individual who is a member of a limited liability company, a shareholder of a Subchapter "S" corporation, or a partner in a partnership, the amount expended or \$10,000 per tax year whichever is less; provided, however, that tax credits shall only be allowed for the portion of the income on which the tax was actually paid by the member of the LLC, shareholder of a Subchapter 'S' corporation, or a partner in a partnership.

(d) The tax credit shall not be allowed if the taxpayer designates the taxpayer's qualified education expense for the direct benefit of any dependent of the taxpayer.

(e) In no event shall the total amount of the tax credit under this Code section for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the taxpayer against the succeeding five years' tax liability. No such credit shall be allowed the taxpayer against prior years' tax liability.

(f)(1) In no event shall the aggregate amount of tax credits allowed under this Code section exceed \$58 million per tax year.

(2) The commissioner shall allow the tax credits on a first come, first served basis.

(3) For the purposes of paragraph (1) of this subsection, a student scholarship organization shall notify a potential donor of the requirements of this Code section. Before making a contribution to a student scholarship organization, the taxpayer shall notify the department of the total amount of contributions that the taxpayer intends to make to the student scholarship organization. The commissioner shall pre-approve or deny the requested amount within 30 days after receiving the request from the taxpayer. In order to receive a tax credit under this Code section, the taxpayer shall make the contribution to the student scholarship organization within 30 days after receiving notice from the department that the requested amount was preapproved. If the taxpayer does not comply with this paragraph, the commissioner shall not include this preapproved contribution amount when calculating the limit prescribed in paragraph (1) of this subsection.

(4) Preapproval of contributions by the commissioner shall be based solely on the availability of tax credits subject to the aggregate total limit established under paragraph (1) of this subsection.

(g) In order for the taxpayer to claim the student scholarship organization tax credit under this Code section, a letter of confirmation of donation issued by the student scholarship organization to which the contribution was made shall be attached to the taxpayer's tax return. The letter of confirmation of donation shall contain the taxpayer's name, address, tax identification number, the amount of the contribution, the date of the contribution, and the amount of the credit.

(h)(1) No credit shall be allowed under this Code section with respect to any amount deducted from taxable net income by the taxpayer as a charitable contribution to a bona fide charitable organization qualified under Section 501(c)(3) of the Internal Revenue Code.

(2) The amount of any scholarship received by an eligible student or eligible pre-kindergarten student shall be excluded from taxable net income for Georgia income tax purposes.

(i) The commissioner shall be authorized to promulgate any rules and regulations necessary to implement and administer the tax provisions of this Code section.