How to Redirect Up to $3,400 of Your Federal Taxes to Help America's Kids -- at $0 Net Cost

A 2027 Tax Planning Handout From Your Tax Professional & **SparkScholar (501(c)(3) EIN 41-3848494)**

$3,400 / $1,700
($3,400 Married Filing Jointly; $1,700 Single) starting Jan 1, 2027 under IRC § 25F.

$0 Net Cost
Every dollar you contribute reduces the federal income tax you already owe by $1.00.

93.5% to Kids
SparkScholar sends 93.5% of every dollar straight to Texas private school & homeschool scholarships.

What Is an SGO, and What Is SparkScholar?

Starting **January 1, 2027**, a new federal tax law (Internal Revenue Code § 25F) gives every American taxpayer a remarkable choice: instead of sending all of your federal income tax bill to Washington, D.C., you can redirect up to **$1,700 per taxpayer** (**$3,400 for married couples filing jointly**) into a certified nonprofit **Scholarship Granting Organization (SGO)** and receive a **100% dollar-for-dollar federal tax credit**.

SparkScholar (the *P. Davis Jones Scholarship Initiative*, IRS 501(c)(3) EIN 41–3848494) is a Texas-based SGO built to make this tax credit effortless for families and their tax preparers. Rather than spending your money on overhead, SparkScholar caps administration at just 6.5% so **93.5% of every dollar** ($3,179 on a $3,400 joint contribution) goes directly into K–12 tuition scholarships and qualified educational expenses for Texas children in households earning up to 300% of Area Median Gross Income (covering 96.5% of Texas families).

How It Works in 3 Seamless Steps (Under 90 Seconds)

STEP 1

Visit sparkscholar.org

Choose your federal tax redirect amount -- up to **$1,700** (Single) or **$3,400** (Married Filing Jointly). You can also optionally share a partner school or scholarship preference.

STEP 2

Select Your CPA or Tax Planner

In the checkout dropdown, simply type and select your **CPA or tax professional's name** from our Certified Tax Professional list. (We never ask for your Social Security Number.)

STEP 3

Automatic Form 8525 Delivery

The moment your contribution settles, SparkScholar automatically emails your official **IRS Form 8525 Tax Credit Receipt** to both you and your CPA's inbox -- zero paperwork to chase in April!

Frequently Asked Questions for Taxpayers

How is a 100% Tax Credit different from a deduction?
A charitable deduction only lowers your taxable income (and gives $0 benefit if you take the standard deduction). A **100% tax credit** reduces your actual federal tax bill dollar-for-dollar. If you owe $10,000 to the IRS and contribute $3,400 to SparkScholar, you now owe the IRS $6,600.

Do I have to give SparkScholar my Social Security Number?
No. Under Treasury Decision 10057, SparkScholar uses a cryptographic **Unique Donor Number (UDN)** printed on your Form 8525 receipt so your SSN is never collected or stored.

Can I designate my own child for the scholarship?
Federal law (§ 25F(d)(1)(E)) prohibits earmarking a credit contribution for a specific named dependent. However, you may support a Partner School Sub-Ledger, and 96.5% of Texas families qualify to apply for SparkScholar awards.

What if my credit is larger than my tax bill this year?
Under IRC § 25F(d), any unused portion of your federal scholarship tax credit automatically carries forward for up to **5 subsequent tax years**.

Support America's Kids at $0 Net Cost

Make your contribution and select your tax professional at **sparkscholar.org**

Schools · Families · Tax Advisors

SparkScholar • 501(c)(3) EIN 41–3848494
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