



Learning from others: Education tax credits are win-win

By **CHRISTINA MARTIN**

This fall, Tyleur, an upbeat high school freshman, became the first member of her family to attend a private school. One-time prize money is funding her first year at a private school in Portland. However, next year she may be forced needlessly to rejoin the many Oregon children who cannot afford to attend the school of their choice.

This year, Tyleur's family is saving Oregon taxpayers thousands of dollars by choosing a private school. In fact, the average public school in Oregon spends about as much per student as the cost of her tuition at the private school she currently attends (about \$10,000). Yet, her family will not even receive a tax break to help keep her in the school of her choice. They are not alone.

Forty-four percent of Oregon parents would choose a private school if they could afford it, but few can. It doesn't have to be that way. Simple legislation that has saved other states millions of dollars, while restoring power to parents and taxpayers, has brought hope to thousands of families in other states.

Florida's Corporate Income Tax

Credit Scholarship program is one example of the kind of legislation that has empowered parents and changed lives. In 2001, the Florida Legislature created the tax credit to increase educational opportunities for low-income students. The program offers corporations tax credits (not to exceed 75% of their state income tax liability) for donations to scholarship programs for low-income K-12 students. Scholarships are capped at just under \$4,000, but still supported about 23,000 students in the 2007-2008 school year to attend the private schools their parents chose.

Imagine the hope a parent experiences when she suddenly has the power to shop around and pick the school that best suits her child's needs! Research has suggested that parents become more involved in their child's education when they acquire purchasing power through opportunity scholarships or vouchers because they feel greater control over the outcome.

Florida's tax credit scholarship program also has saved taxpayers money. In December 2008, a government agency, Florida's Office of Pro-

gram Policy Analysis and Government Accountability, evaluated the scholarship program. It concluded that in Fiscal Year 2007-08 "taxpayers saved \$1.49 in state education funding for every dollar loss in corporate income tax revenue due to credits for scholarship contributions. Expanding the cap on tax credits would produce additional savings if there is a sufficient demand for the scholarships." Florida netted \$38.9 million in savings from the program in 2007-08 alone.

Likewise, many other major existing state programs that increase parental school choice have either saved states money or had no net impact on the state coffer. Oregon could join these states in their savings by creating similar opportunities for families to pick their schools. Such savings could even help to thwart the impending state budget crisis. Or, we can continue to settle for the status quo that leaves most families with few, if any, options.

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