

HOW IT WORKS ...



You have questions. We have answers.

If Let MI Kids Learn is successful, voters want to know, how will it work? What will the process be? What steps will families go through to apply?

BACKGROUND:

There are two ways to make laws in Michigan. One is with the cooperation of the Governor, signing bills into law that have been agreed on by the Legislature. The other way is with a *citizen petition drive*.

The policy before you - *Let MI Kids Learn* - has the sole purpose to provide additional financial resources to parents for their children's education. It will also provide a tax credit for the individual donors and businesses that contribute to a scholarship fund for K-12 students, up to \$500 million in tax credits statewide.

Whether their child opts to stay in the public school, and needs help with something the school can't provide, or a family is desperate to make something work outside of the public school system and simply doesn't know how to make it financially possible - this will provide options. It will also allow the generous men, women and businesses who yearn to help connect dollars with children - a tax credit.

WHY THIS. WHY NOW.

Some will make the valid point: *"We already have enough money in public education. If kids need resources, why not just use what is already there?"*

We agree that there is a ton of money in Michigan's K-12 education budget (\$19 Billion to be exact) but if we have all learned anything over the past few months *the education bureaucracy is not easy to maneuver, it is not easy to change.*

Thousands of students in Michigan are suffering from learning loss, struggling in educational systems that do not work for them and their families. But parents at times are limited with how to get their child better situations and opportunities. They don't have time for us to wade through educational bureaucracy - they are desperate for help now.

Some ask, *"Well, why can't this be done through a non-profit organization? Why do you have to have this big of a project?"* State legislation is needed to create a tax incentive (credit) that will encourage private donations.

CUTTING EDGE FOR MICHIGAN

We believe this is the way to bring more partnerships to families in need and donors who are willing to assist. But we are not the first ones to do it. [23 states have similar policies.](#)

Find more resources on our website at www.LetMIKidsLearn.com/resources.

Email us at info@letmikidslearn.com with questions we have missed!

FOR MICHIGAN CITIZENS

STEP 1: SIGN THE PETITION

We need 500,000 signatures by the second weekend of May. Then, we submit them to the Michigan Secretary of State who has to review them. Upon her approval or validation, they get passed to the Michigan Legislature. This is their green light to voting: they get to support the people's wish! And the policy goes into play.

STEP 2: IDENTIFY SCHOLARSHIP GRANTING ORGANIZATIONS (SGO)

Scholarship Granting Organizations (SGO) are groups/organizations that will be the point of contact for families applying for scholarships. Groups and organizations that fit the criteria can apply to serve in this role if they meet the basic criteria for what the IRS requires for an SGO.

STEP 3: UNDERSTAND THE PROCESS

- Which child needs assistance? Those with special needs, a foster child, or those meeting the financial threshold are a priority.
- Determine what your child needs: i.e. tutoring, technology, transportation, tuition, etc
- Consult the list of approved SGOs; choose which SGO you want to use for your child's needs
- Apply for the full amount
- Application process can begin in 2023

Both the donor process and the family application process happens simultaneously.

FOR THE DONOR

STEP 1: DONOR DECIDES "I WANT TO DONATE"

Individuals and corporations who have a MI income tax liability can choose to direct that liability to a third party non-profit granting organization. They receive a 100% tax credit for their donation. Instead of paying Treasury, they pay the granting organization. But they still pay!

STEP 2: DONOR TELLS TREASURY "I WANT TO DONATE TO THIS SGO"

Treasury consults the list of SGOs and says "*Okay they are legit!*" Treasury sends a letter of verification to the SGO.

STEP 3: DONOR MAKES A DONATION TO SGO

Donation can be made at any time throughout the year when you have income tax liability, as long as there are still tax credits available. Some people pay quarterly, etc.

STEP 4: DONOR GETS TAX CREDIT

This is not a tax deduction - but a tax credit.

STEP 5: DONATION IS NOW AVAILABLE IN SGO

FOR THE FAMILY

STEP 1: YOU HAVE DETERMINED YOU MEET THE CRITERIA TO APPLY

- You have a foster child in the home
- Your child has special needs
- You meet the financial requirements

STEP 2: YOU CHOOSE THE SCHOLARSHIP GRANTING ORGANIZATION YOU WANT TO UTILIZE

You will be able to find a list of these on the MI Department of Treasury website. When you apply, you will have a representative that will walk you through the process.

STEP 3: APPLY.

You will apply for the full amount you can receive.

STEP 4: SGO GRANTS YOUR SCHOLARSHIP

They deliver the money to a limited-use account that you control. And then it has to be spent on K-12 education expenses including dual enrollment costs.

STEP 5: YOU CHOOSE

You then distribute the money to the vendor (whether it's for tuition, curriculum, transportation, technology, etc.).