

HOPE
FOR THE FUTURE

HELP
THOSE IN NEED

HAVE
AN IMPACT

Georgia Qualified Education Expense Tax Credit – Corporate Income Tax

AAA Scholarship Foundation (AAA) is a 501 (c)(3) nonprofit organization and state approved Student Scholarship Organization (SSO) that exclusively serves eligible low-income children through the Georgia Qualified Education Expense Tax Credit Program (QEE), which allows C-Corps, S-Corps, & Partnerships (electing to pay tax at the entity level) that pay Georgia corporate income tax to redirect up to 75 percent of their tax liability to AAA in order to fund K-12 education scholarships for eligible, low-income children. **It costs you NO extra dollars** – the legislature has made it possible for your company to earmark up to 75 percent of its state corporate income tax liability to fund low-income student scholarships.

To Reserve Your State Tax Credit:

The process to enroll is very simple. Just complete the pre-approval form (IT-QEE-TP1) and either fax (888-707-2465) or scan and email it to AAA (kim@aaascholarships.org). You may apply more than once for credits during the year for a maximum of 75 percent of your net state corporate income tax. We will notify you of your DOR approval within 30 days. It's important to remember that the approval process does not oblige you to remit the funds to AAA – it is merely a way for the DOR to ensure that the annual maximum (\$120 million for 2023) in tax credits is not over-subscribed.

Remitting Your Payment:

Once you have received your approval we will send you a payment reminder and remittance instructions. You can remit that amount directly to AAA via check, wire or ACH. Payments must be made within 60 days of your DOR approval and during the calendar year which the credit was approved.

Official Acknowledgement:

Once the remittance is received, AAA will promptly send you the two forms needed in order to claim the earned credits:

1. Form IT-QEE-SSO1 - Qualified Education Expense Credit Letter of Confirmation – this is AAA's written acknowledgment for your company's contribution. Please keep this in your files in case you are ever asked to support the value of the credits claimed.
2. Form IT-QEE-TP2 - Qualified Education Expense Credit Computation – you will need to list your company's actual state tax liability in Section C and then attach a copy of this form to the Georgia income tax return(s) on which the credits are reported.

Taking the Credit on Your State Income Return:

A company using the "general" or "standard" method of determining its estimated quarterly payments should net the remittance amount from its state tax liability (after the application of any other allowable credits). For state income tax purposes the remittance is treated as a credit against state income tax and is reported on Schedule 10 (Claimed Tax Credits) on Georgia Form 600 using credit type code 125. *Please note that any state tax liability remaining after the remittance is netted should be paid as normal estimated tax payments to the Georgia DOR.*

Unused Credits:

Unused credits that are the lesser of the amount expended or 75 percent of the company's tax liability may be carried forward for up to five years.



AAA Scholarship Foundation Inc. (AAA Scholarships) has earned the Platinum Nonprofit Seal of Transparency, the highest level of recognition offered by Candid, the world's largest source of nonprofit information.

For more information contact: Kerri Vaughan kerri@aaascholarships.org • (786) 367-0823
Phone and Fax: (888) 707-2465 • Website: www.aaascholarships.org

A school tuition organization cannot award, restrict or reserve scholarships solely on the basis of a donor's recommendation. A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent.