



A New Federal Tax Credit — And a **Zero-Cost Way** to Empower Your Workforce

Help your employees fund K–12 scholarships through a simple payroll deduction — at no cost to them or your company.

A landmark benefit from the One Big Beautiful Bill Act.

Beginning in 2027, individuals will be allowed to redirect up to **\$1,700** of their federal tax liability (**\$3,400** for joint filers) to fund K–12 scholarships for low- and middle-income students residing in eligible states. As one of our valued partners, you can offer this benefit through your existing payroll system and **AAA will handle the rest.**

HOW IT WORKS: 4 SIMPLE STEPS

1	2	3	4
EMPLOYEE ELECTION	PAYROLL DEDUCTION	W-4 ADJUSTMENT	DIRECT REMITTANCE
Your employee signs up to donate up to \$1,700/yr to AAA for k-12 education scholarships.	You deduct up to \$65 bi-weekly from after-tax pay — just like a United Way or 401(k) contribution.	Employee updates Form W-4 Step 3 to reduce withholding by the same amount. Take-home pay stays the same!	You send collected funds to AAA. At year-end, report the total in Box 12 of the W-2. Done!

★ The "Magic" — Your Employees Pay Nothing Extra

This is a **dollar-for-dollar tax credit**, not a deduction. The W-4 adjustment offsets the payroll deduction in real time, so your employees' take-home pay stays **virtually unchanged** — while \$1,700 goes to help a child attend the school that's right for them.

WHY PARTICIPATE?

\$0 Zero Cost to Your Company Funded entirely by tax credits that would otherwise go to the IRS. No employer match required.	★ Attract & Retain Top Talent Stand out with a "community impact" benefit that employees are proud to participate in.
✓ Simple Administration Works like any voluntary deduction you already manage. AAA provides all enrollment forms and support.	♥ Real Community Impact Facilitate thousands of scholarship dollars for local families — strengthening the communities where you do business.

Is this a tax deduction? No — it's a dollar-for-dollar credit, far more powerful. It reduces the tax bill by the exact amount donated.	Do employers match funds? No match required. This is powered by the employee's own tax liability. Employers simply facilitate the process.	What about reporting? Just list the total contribution in Box 12 of Form W-2. That serves as the employee's receipt at tax time.
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Ready to Learn More About This Benefit?

AAA will partner with your HR team to provide enrollment forms, employee guides, and step-by-step support — making participation completely frictionless.

1-888-707-2465
aaascholarships.org/contact-us