

Scholarship Granting Organizations (SGOs)

Frequently Asked Questions

1. What is an SGO?

A Scholarship Granting Organization (SGO) is a state-certified 501(c)(3) that administers the Indiana Tax Credit Scholarship Program and awards financial assistance to Indiana students (K-12) who do not have the economic means to attend a private school like Brebeuf Jesuit. Contributions made through an SGO feature a 50 percent state tax credit to all Indiana residents and corporations. **Donors can designate their gift to be used to fund scholarships for incoming or existing students at Brebeuf Jesuit.**

2. What are the tax benefits of making a gift to an SGO?

Donors who contribute to an SGO qualify for an Indiana state tax credit and a federal tax deduction. The following chart* illustrates the after-tax “cost” of the donation. **The tax credit is equal to 50% of the amount donated and is used to reduce your Indiana state income tax liability.**

\$1,000 Donation	Tax Savings
Indiana Tax Savings (50%)	\$500
Federal Tax Savings	\$75-\$198
Net Tax Savings	\$575-\$698
True Cost of Donation	\$302-\$425
\$5,000 Donation	Tax Savings
Indiana Tax Savings (50%)	\$2,500
Federal Tax Savings	\$375-\$990
Net Tax Savings	\$2,875-\$3,490
True Cost of Donation	\$1,510-\$2,125
\$10,000 Donation	Tax Savings
Indiana Tax Savings (50%)	\$5000
Federal Tax Savings	\$750-\$1,980
Net Tax Savings	\$5,750-\$6,980
True Cost of Donation	\$3,020-\$4,250
<i>This table offers a range of federal savings and does not assume any specific tax bracket.</i>	

This fiscal year (July 1-June 30) the state of Indiana set aside \$12.5 million for SGOs to offer individuals or businesses as an incentive to help raise funds for scholarships. There is no limit to the amount of tax credits an individual or business can receive; however, the tax credit amount cannot exceed the state tax liability for the current year. Donors are allowed to carryover unused tax credits for up to nine years.

Because the program was so successful this past year, available credits were depleted within the first seven months. Due to the projection that there will be a similar or increased demand for tax credits this year, donors are encouraged to make their gift early.

3. What does my gift to an SGO benefit?

All donations received by Sagamore Institute designated for Brebeuf Jesuit Preparatory School will be used for need-based tuition assistance scholarships. To be eligible for an SGO scholarship, a student must be an

incoming or existing student at Brebeuf Jesuit, and come from a household whose annual income is 200% or less of the eligibility guidelines for the Federal Free and Reduced Meal Program.

4. How do I make a gift to an SGO?

Donations can be made via cash, check, and credit or debit card to Scholarships for Education Choice: Sagamore Institute.

Note:

- Checks need to be made payable to Sagamore Institute SGO, not Brebeuf Jesuit.
- Gifts can also be made online at brebeuf.org/sgo.
- Be sure to designate Brebeuf Jesuit Preparatory School as the recipient fund for your SGO gift.
- SGOs provide each donor with a receipt containing a Tax Credit Certification Number.

Gifts of Stock and Securities:

To facilitate donations of stocks and securities, The Sagamore Institute has created a Single Charity Fund with the National Christian Foundation (NCF).

In order to effectively secure your tax credit, it's essential that either you or your broker complete the SGO Donation Form at the link below:

www.s4ec.com/donors/donate-non-cash-assets

Be sure to indicate the correct **Giving Fund Name** and **Giving Fund Number** on the donation forms:

Giving Fund Name: Sagamore Institute Single Charity Fund | **Giving Fund Number:** 941785

5. Does Brebeuf Jesuit receive my entire donation when I give to an SGO?

SGOs take an administrative fee from a portion of each contribution to cover expenses related to operating the state program. The remaining balance of your donation is disbursed back to Brebeuf Jesuit once the SGO processes and approves the scholarship application per state eligibility guidelines.

6. Since SGOs offer tuition assistance scholarships, will I be asked to make an additional gift to The Brebeuf Fund as well?

Because SGOs and The Brebeuf Fund both provide need-based financial aid, Brebeuf Jesuit considers your SGO donation to also be your gift to The Brebeuf Fund. Think of SGOs as another vehicle for making your annual gift to Brebeuf Jesuit.

7. Does an SGO gift qualify me for membership in the President's Circle or Magis Society?

Yes! A gift of \$1,000 or more to an SGO qualifies you for membership in the President's Circle, and a gift of \$1,500 or more qualifies you for membership in the Magis Society.

8. My employer/my spouse's employer matches gifts to Brebeuf; will they match SGO gifts?

Not all employers will match gifts to SGOs. Please check with your Human Resources department to verify.