



FEDERAL SCHOLARSHIP TAX CREDIT

Coming January 1, 2027

Turn Your Tax Dollars into Scholarships for Memphis Students at Zero Cost

Beginning January 1, 2027, a new federal policy allows individuals to redirect a portion of their federal taxes to fund scholarships for students through approved nonprofit organizations like MOST.

This is one of the most significant new opportunities to support education in Memphis at no additional cost to you, while keeping your tax dollars invested locally to benefit Memphis students instead of sending them to the federal government.

What Is the Federal Scholarship Tax Credit?

The Federal Scholarship Tax Credit allows individuals to receive a dollar-for-dollar federal tax credit up to \$1,700 per year when they contribute to an approved Scholarship Granting Organization (SGO) like MOST. Those funds are then used to provide private school scholarships for K-12th grade students.

Tax Credit vs. Tax Deduction

Tax Deduction

- Reduces your taxable income
- You only get back a portion of what you give

Tax Credit

- Reduces your taxes dollar for dollar
- You get back 100 percent of your contribution

Why This Is “No Cost” to You

Most households earning \$75k+ already pay at least \$1,700 in federal income taxes annually.

This creates a simple choice:

Send that \$1,700 to the federal government or redirect that same \$1,700 to provide scholarships for Memphis students

Because you already owe these taxes, this is not an additional expense. It is simply choosing where your tax dollars go.

You also have the ability to designate which private school, from MOST's 42 partner schools, you would like your contribution to support through scholarships.

For the first time, you can directly decide how a portion of your federal taxes will help provide life changing scholarship opportunities for Memphis students to allow them to attend the school that best fits their needs.

For more information, contact Finy Shirley at fshirley@mostmemphis.org