



Hohmeier Malas LLC

CERTIFIED PUBLIC ACCOUNTANTS

Invest in Kids

January 2018 Newsletter

We would like to talk to you about the **Invest In Kids Act** in the state of Illinois. It was passed into legislation last August, and it awards scholarships to low income children to private schools of their choice. The credit is funded by individuals and businesses who donate to the Scholarship fund.

The tax benefit for any donations is a **75% Illinois state tax credit**, and you can specify which school you would like the funds to go to.

If you currently have a tax liability in Illinois, please consider using this as a tool to redirect a large portion of your tax bill to help low income families get a good education.

To learn more about the credit, please click [here](#).

Although your donation may be deductible at the federal level, but you cannot deduct this donation on your federal return and your state return. In addition, with the tax changes in 2018, itemizing will be much more challenging on the federal return. We will work with you to determine which scenario is best.

Reserving the Tax Credit Process

All tax payers interested in participating in this program must first register at mytax.illinois.gov.

Once on this site:

1. Click on "Individuals" on the horizontal menu
2. Under the "Miscellaneous" menu, click on "Request a Letter ID"

You will be prompted to enter your social security number, along with an Illinois driver's license number.

After submitting, you will receive your Letter ID in the mail from the state within 7-10 business days.

After you receive your activation number, you can sign into your account to finish the activation process and reserve a credit. *Example: If you reserve a \$1,000 donation, you will receive a \$750 credit on your 2018 state tax return.*

Once you have reserved your credit amount you then go to empowerillinois.org. Click on Donors, then Donate, and follow the prompts. You have 60 days once you reserve your credit to donate the funds.

We will be talking about this credit and if it would help you during this year's tax preparation process.

If you have any questions on this, please feel free to reach out at anytime! We are here to help!



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January Tax Tip

You can begin uploading your documents via our secure LINK as you receive them instead of waiting to upload them all together! Contact us if you need assistance in uploading any of your documents.

