

JTO Training Webinar

February 19, 2020

Instructions: Submit A Question

As an attendee, the Q & A will appear at the bottom of your screen. Click on Q & A to submit a question during the webinar. Type your question and click Enter to send it. Your question may be answered right away through the Q & A or at the end of the webinar.

The goal of this session is to explain taxpayer recommendations and how they can help offset your Pardes tuition.

If you need information on the basics of the Arizona tax credit program, there are materials on the Pardes website as well as the JTO website that can help you.

Arizona taxpayers can direct some of their tax dollars to private School Tuition Organizations (STOs) for scholarships.

Funds given to STOs are offset by tax credits from the State of Arizona.

Essentially, taxpayers are directing how some of their Arizona tax money is used.

It is permissible for taxpayers to make a recommendation to the STO about how their tax support is used, meaning the taxpayer can recommend a specific student or family.

Pardes works with the Jewish Tuition Organization (JTO) for its families, for awards based specifically on taxpayers' recommendations.

If you are asking a taxpayer to take the tax credits and recommend your child, the taxpayer **must** use the JTO. This is a new requirement for tax year 2019.

Two Key Points to Remember!

1. You cannot swap recommended donations with another family, or with a series (circle) of families.
2. You cannot recommend your own child.

Pardes asks that you, as parents, support the JTO with your own tax credits and recommend the Pardes School Fund for your monies.

How Arizona Taxpayers Can Help You

- Arizona law allows tax credit-funded scholarships to offset up to 100% of your Pardes tuition
- You can receive as many taxpayer recommendations as you wish
- Any Arizonan paying Arizona taxes can support your family or our School through the Jewish Tuition Organization
- Your goal is to find as many Arizona taxpayers as you can, or need, who will support the JTO and recommend your child!

Consider Who Can Help You

- Family
- Friends or family friends; remember grandparents may need to take less than the full tax credit, depending on how much they pay in AZ taxes each year
- Your professional acquaintances such as doctors / lawyers / CPAs
- Your real estate or insurance agent
- Your stockbroker or financial advisor
- Neighbors

2019 INDIVIDUAL ARIZONA TAX CREDIT LIMITS

ORIGINAL AND SWITCHER TAX CREDITS COMBINED

Filing Status	Tax Credit Limit
<i>Single, Head of Household</i>	\$1,135
<i>Married, Filing Jointly</i>	\$2,269

*70% of all recommended funds are eligible for your child.
The remainder goes to the JTO's needs-based fund, a significant portion of which
is allocated to Pardes, to help our neediest families.*

A Few Details and Reminders

Taxpayers must take the tax credit before filing their 2019 returns

Taxpayers must use the JTO for their taxpayer-recommended tax credits

You can take the tax credits up to April 15, 2020

You are not allowed to recommend your own child with your own tax credit funds

If you pay any AZ taxes during 2019, you must take the tax credit at the JTO to be eligible for a JTO needs-based award

How to donate to the JTO

Here is the link to the JTO's website to take the tax credit

<https://donations.jtophoenix.org/>

Watch as we take you through the page, for you to see how easy it is!

Dos and Don'ts in Asking

- Do take your own tax credits and recommend the Pardes School fund at the JTO
- Do not solicit taxpayers who are already supporting the JTO, as those funds are vital to providing the needs-based awards to the Pardes students who are eligible
- Do not swap recommended tax credits with another family – it is prohibited by Arizona law

How to Ask:

- Don't be afraid to ask! Some will say no, but many will say YES!
- JTO brochure in the school lobby that you can give to donors
- Use the materials on the Resources link on the "Affording Pardes" page of the Pardes Website. You will find a sample email, sample letter and an instructional video you can give to taxpayers as well. The video is for the Pardes School Fund, but you can share with taxpayers how to recommend your child instead.

Questions Asked By Others

Q: What does it mean when it says “you must use the JTO?”

A: Pardes partners with the JTO to support its funding for needs-based awards for our parents. We are required to only use the JTO for taxpayer-recommended awards for Pardes students. Pardes cannot accept taxpayer-recommended awards from any other STO.

Q: How much is my child likely to receive from a taxpayer's recommendation?

A: Taxpayers' recommendations are submitted to the JTO, and only the JTO can make an actual designation. They typically follow the recommendation unless it's some extreme circumstance. The recommended student receives 70%.

Q&A, continued

Q: Is the deadline to give December 31, 2019 or April 15, 2020?

A: The deadline to take the tax credit is no later than April 15, 2020, but taxpayers must take the tax credit before they file their 2019 returns.

Q: Can taxpayers take the tax credits at more than one School Tuition Organization?

A: Yes, but the total cannot exceed the limits set by the State of Arizona. It's up to the taxpayer who is splitting their tax credits amongst multiple organizations to make sure they don't exceed the limit. To support a Pardes student, the tax credit must be taken at the JTO.

Q&A, continued

Q: What are the rules for corporations? I have a good amount of business owners in my network, so might be good for me to have that info handy as well.

A: Corporations are also allowed to take the tax credit, but must follow an entirely different set of rules. They can recommend a particular school with their taxes, but not specific students. We recommend you put corporate donors in touch with Patti Evans, CFO of Pardes or Linda Zell, Executive Director of the JTO.

Q: How many private school tax credits are there for individuals?

A: There are actually two credits for individual taxpayers. The first is referred to as the "original" credit, and the second is referred to as the "switcher" credit.

Q&A, continued

Q: What if someone asks: "How do I know how much I will owe in AZ Taxes?"

A: That individual should probably consult his/her tax preparer. The tax credit offsets the full year's tax obligation, not just an amount is owed to the State of Arizona on April 15th.

Q: What if an Arizona resident isn't paying any taxes in Arizona? Does the tax credit apply?

A: No. The tax credit can only offset taxes being paid to the State of Arizona. Think of it as a way to direct where some of your tax dollars go.

Further Assistance

There are resources for you on the “Affording Pardes” page of the Pardes website, including sample emails and letters, along with basics on the Arizona tax credit program.

There is an instructional video you can use. The video asks taxpayers to support the Pardes School Fund, but you can instruct people on how to recommend your child instead.

Use the form in the lobby printed by the JTO. It has information about the tax credit program and instructions on how to take the tax credit.

Call or email Patti Evans, our school’s CFO. She will help you with all your questions!