

## THE IDAHO PARENTAL CHOICE TAX CREDIT – HOW AND WHEN TO APPLY

Idaho Parental Choice Tax Credit allows for a refundable tax credit up to \$5,000 per eligible student and \$7,500 for eligible students with disabilities requiring ancillary personnel.

### ELIGIBILITY REQUIREMENTS:

- Full time resident of Idaho ages 5 to 18
- Residents 5 to 21 years of age if the student has disabilities requiring ancillary personnel.

### QUALIFIED EXPENSES:

- Tuition or fees for attending a nonpublic school, kindergarten through grade 12
- Tutoring
- Costs for nationally standardized assessments, assessments used to determine college admission, advance placement examinations, industry-recognized certification exams, and preparatory courses for nationally standardized assessments
- Textbooks and curricula used for kindergarten through grade 12 academic instruction
- Transportation costs to and from a facility incurred for the purposes of receiving kindergarten through grade 12 academic instruction.

### HOW IT WORKS:

- The Idaho State Tax Commission will issue forms for the purpose of applying for and claiming the credit what materials to keep in your files, certification requirements, and will discuss penalties for false and fraudulent filings.
- For parents interested in claiming the refundable tax credit in the 2025 tax year, the tax filing application period will open on January 15, 2026, and shall remain open until March 16th, 2026.
- The Tax Commission will notify parents whether they will receive the refundable tax credit by April 15th, 2026.
- There is a cap of \$50 million dollars for program that is generally distributed on a first come, first served basis. If funds are left over after the application period is closed, then the Tax Commission must re-open the application period to receive new applications. These new applications will be received until August 15th, 2026, or until the \$50 million dollar cap is reached.
- If the states receive more applications than will exceed the cap, priority will go to parents whose modified adjusted gross income (AGI) does not exceed 300% of poverty level or approximately \$93,500 for a family of four in 2026.
- Parents making 300% below poverty level are able to apply for advance payment of the credit beginning in the 2026 tax year, allowing those families that may not have the initial funds to enroll kids for non-public education to do so.
- The Idaho Tax Commission will develop forms to allow for a onetime advance pay of the credit for each available student. The qualified parent would receive a one-time payment no later than 60 days after notification of the credit award, and not later than August 30th.