

**Illinois Department of Revenue
Regulations**

Title 86 Part 1000 Section 100 Definitions

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE

PART 1000
INVEST IN KIDS ACT

Section 1000.100 Definitions

"Act" means the Invest in Kids Act [35 ILCS 40].

"Authorized contribution" means the contribution amount that is listed on the contribution authorization certificate issued to the taxpayer.

"Board" means the State Board of Education.

"Certificate of receipt" or "COR" means a certificate issued by the scholarship granting organization to a taxpayer pursuant to Section 1000.500.

"Contribution" means a donation made by the taxpayer during the taxable year for providing scholarships as provided in the Act.

"Contribution authorization certificate" or "CAC" means a certificate issued by the Department to a taxpayer pursuant to Section 1000.400.

"Custodian" means, with respect to eligible students, an Illinois resident who is a parent or legal guardian of the eligible student or students. In cases in which the parent or legal guardian is unwilling or unable to act for the eligible student for purposes of the Invest in Kids Act, the person with whom the eligible student is living, such as a foster parent, will be considered the custodian.

"Department" means the Department of Revenue.

"Eligible student" means a child who:

is a member of a household whose federal adjusted gross income the year before he or she initially receives a scholarship under this program, as determined by the Department, does not exceed 300% of the federal poverty level and, once the child receives a scholarship, does not exceed 400% of the federal poverty level;

is eligible to attend a public elementary school or high school in Illinois in the semester immediately preceding the semester for which he or she first receives a scholarship or is starting school in Illinois for the first time when he or she first receives a scholarship; and

resides in Illinois while receiving a scholarship.

"Eligible student" also means foster children who are under the legal responsibility of a foster care agency or court.

"Family member" means a parent, child, or sibling, whether by whole blood, half blood, or adoption; spouse; or stepchild.

"Federal poverty level" means the poverty guidelines established each year by the U.S. Department of Health and Human Services under the authority of 42 USC 9902(2) and published in the Federal Register.

"Focus district" means a school district, as determined by the Illinois State Board of Education, which has a school that is either:

a school that has one or more subgroups in which the average student performance is at or below the State average for the lowest 10% of student performance in that subgroup; or

a school with an average graduation rate of less than 60% and not identified for priority.

For purposes of this definition, "subgroups" means "subgroup of students" as defined in the Every Student Succeeds Act (Public Law 114-95).

"Household" means an individual or group of individuals living together in a room or group of rooms as a housing unit.

"Household income" means the combined federal adjusted gross income of the members of a household. Household income does not include the federal adjusted gross income of a child residing in a household who is under 18 years of age and attending an elementary or secondary school on a full time basis. Foster children under the legal responsibility of a foster care agency or court are deemed to have a household income that does not exceed 185% of the poverty level.

"Necessary costs and fees" includes the customary charge for instruction and use of facilities in general and the additional fixed fees charged for specified purposes that are required generally of non-scholarship recipients for each academic period for which the scholarship applicant actually enrolls, including costs associated with student assessments, but does not include fees payable only once and other contingent deposits that are refundable in whole or in part. Necessary costs and fees are determined by the Board pursuant to 23 Ill. Adm. Code 425.100.

"Participating qualified school" or "participating school" means a qualified school that has not been determined to be ineligible by the Board under Section 1000.700(c).

"Person" means an individual, corporation, company, association, partnership, unit of local government, state agency, federal agency, or other legal entity.

"Qualified contribution" means the authorized contribution made by a taxpayer to a scholarship granting organization for which the taxpayer has received a certificate of receipt from such organization .

"Qualified school" means a non-public school located in Illinois and recognized by the Board pursuant to Section 2-3.25o of the School Code [105 ILCS 5] or that is registered and becomes recognized by the Board pursuant to Section 2-3.25o of the School Code prior to receiving scholarship funds pursuant to the Act.

"Scholarship" means an educational scholarship awarded by an SGO to an eligible student to attend a qualified school of their custodians' choice in an amount not exceeding the lesser of the necessary costs and fees to attend that school or the statewide average operational expense per student among public schools, except as provided in Section 1000.600(f)(2).

"Scholarship granting organization" or "SGO" means an entity that:

is exempt from taxation under section 501(c)(3) of the Internal Revenue Code;

uses at least 95% of the qualified contributions received during a taxable year for scholarships;

provides scholarships to students according to the guidelines of the Invest in Kids Act;

deposits and holds qualified contributions and any income derived from qualified contributions in an account that is separate from the organization's operating fund or other funds until such qualified contributions or income are withdrawn for use; and

is approved to issue certificates of receipts.

"Taxpayer" means any individual, corporation, partnership, trust, or other entity subject to the Illinois income tax. For purposes of the Act, 2 individuals filing a joint return shall be considered one taxpayer. [35 ILCS 40/5]