

Parents get tax deduction on tuition and uniforms

By Peter Finney Jr.
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There is good financial news from the Louisiana Department of Revenue for parents who send their children to Catholic or other private schools.

A new state law passed in 2008 – the School Tuition and Expense Tax Deduction – establishes a tax break for tuition and certain other school supplies and expenses. The law grants an individual tax deduction for tuition, fees and certain educational supplies and expenses paid on or after Jan. 1, 2009.

Other than tuition, qualifying expenses include the cost of uniforms and supplies for private-school students.

Taxpayers will be allowed to deduct up to half of tuition and other costs up to \$5,000 per child. For each student, the deduction allowed will be 50 percent of the actual amount paid or \$5,000,

whichever is less.

According to the Louisiana Department of Revenue, if a taxpayer with two children in a private school pays \$12,000 for each child's tuition, the taxpayer can deduct 50 percent of the \$12,000, limited to \$5,000 per student, for a total deduction of \$10,000 for both students. The eligible amount can be deducted from the parents' state income tax when filing their 2009 tax return, due May 15, 2010.

The Revenue Department advises parents to keep tuition and other expense receipts so they can claim the deduction on their state tax form next year.

Danny Loar, executive director of the Louisiana Conference of Catholic Bishops in Baton Rouge, said the 2008 legislation received strong support from parents with children in Catholic schools.

"It really increased the number of people who used our 'Voter Voice' system (to

send e-mails to legislators on public policy matters)," Loar said.

Gov. Bobby Jindal's support of the legislation was key, Loar said, because previous Gov. Kathleen Blanco had opposed the idea in the past, effectively killing any legislative action. The bill was sponsored by Sen. Rob Marionneau, D-Livonia.

Loar said Catholic schools across the state won other important battles in the recently concluded legislative session. While most school districts received reductions in state money to pay for "required" administrative services, the \$14.3 million earmarked for Catholic schools was not reduced and was made a permanent part of the state budget, Loar said. In the past, the LCCB had to present arguments to the Legislature every four years to keep the funding intact.

Also, funding for the schol-

arship program for children attending failing Orleans Parish public schools has been increased by \$2.2 million. The Archdiocese of New Orleans has the potential to increase the number of scholarship spots from 500 to 1,000 for students in kindergarten through fourth grade for the 2009-10 academic year.

To qualify, the student must come from a failing New Orleans public school. The Catholic Schools Office of the Archdiocese of New Orleans offered to make 1,000 seats available, and as of last week, more than 600 seats were filled. Under the plan, the school's regular tuition rate is paid by the state – usually far less than the more than \$6,000 the state allots per student.

The registration period established by the state for the scholarship spots has ended. Twenty-four Catholic schools will participate in the program this year. Fourth-graders who

receive state scholarships will be required to take the LEAP exam.

Gov. Jindal also signed a sales tax exemption bill that will save Catholic schools from having to pay back state taxes on cafeteria food served to students, saving \$750,000 annually.

Another bill signed by the governor provides Catholic schools with a permanent state and local sales tax exemption on the purchase of educational materials. Without the exemption, schools would have been forced to pay \$2.4 million every year, beginning July 1, 2009.

Loar said interested parents can sign up for Voter Voice electronic e-mail alerts on important public policy issues that are being considered by the Legislature. To sign up for Voter Voice, go to the Citizens for Educational Choice Web site at www.louisianacec.org.

Peter Finney Jr. can be reached at pfinney@clarionherald.org.



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