



INSTITUTE FOR QUALITY EDUCATION

EDUCATION FREEDOM TAX CREDIT (EFTC)

PROVIDER PARTICIPATION AGREEMENT

Introduction

On July 4, 2025, the FY2025 reconciliation act (P.L. 119-21), commonly referred to as the One Big Beautiful Bill Act, was signed into law. The Act established a federally funded tax credit scholarship program for elementary and secondary education, effective January 1, 2027. Under this program, individual taxpayers may receive a tax credit of up to \$1,700 for contributions made to approved Scholarship Granting Organizations (SGOs), including the Institute for Quality Education (IQE). IQE distributes these funds as scholarships to eligible students.

TERMS & CONDITIONS

This following Agreement establishes the terms and conditions under which the Provider agrees to deliver eligible educational services and/or goods to students participating in the EFTC Program, and to receive payments from student scholarship funds administered by the IQE SGO.

1. Provider

Any school, business, or individual who provides qualified elementary or secondary expense (section 3) to an eligible student (section 2) is a Provider for the EFTC program.

2. Eligible Student

An eligible student meets the following requirements:

- Resident of Indiana
- K-12 student; 5–22 years of age by October 1 of the school year
- Household income at or below 300% of area median income

Eligibility must be maintained at both application and fund disbursement.

3. Qualified Expenses

EFTC qualified expenses refer to the following expenses provided by a Provider related to the elementary or secondary education of an eligible student for which scholarship money may be used.

- Tuition and fees
- Books, supplies, and equipment
- Tutoring services
- Special education services
- Room and board
- School uniforms
- Transportation
- Before- or after-school programs
- Computer technology and internet for educational use

This list is not exhaustive; IQE SGO reserves approval authority.

Last updated 6.2026

4. Accounts Receivable

- The Provider must provide banking information to the IQE SGO financial management vendor to accept payments from the EFTC program.
- Providers shall provide an invoice for each qualified expense charged for education or related services provided to the eligible student.
- Providers may request a disbursement at any time.
- Disbursements are processed on a weekly basis.
- Refunds must be made to the IQE SGO.

5. Provider Responsibilities

- Deliver services and/or goods consistent with program rules.
- Invoice for qualified expenses under section 3. (Invoices are autogenerated in the IQE SGO financial management platform)
- Maintain accurate records of services and/or goods provided.
- Comply with all laws.
- Cooperate with any requested annual program audit.

6. Tax Treatment

Funds are considered tax-free income for the Provider and EFTC student, under the Internal Revenue Code of Section 139K.

7. Acknowledgment and Signature

The Provider acknowledges that, in connection with services provided through the EFTC Program, IQE SGO may access personal information about students and their families. IQE SGO will comply with FERPA and use this information only for eligibility determinations and scholarship payment purposes.

This agreement will remain in effect unless and until the Provider gives notice to IQE SGO of its intent to terminate participation.

By providing your name below, you acknowledge that this electronic submission serves as your legal signature on the Provider participation registration form. Please type your name below to confirm and submit your registration.

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