



2023-2024 STUDY OF EDUCATIONAL CREDIT FOR EXCEPTIONAL NEEDS CHILDREN PROGRAM

South Carolina Department of Revenue

300A Outlet Pointe Blvd | Columbia, SC 29210 | dor.sc.gov

January 15, 2025

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INTRODUCTION

This study was prepared in accordance with Act 247 of 2018, as amended in 2021, regarding the Educational Credit for Exceptional Needs Children (ECENC) program. The data and information in this study are from tax year 2023 and fiscal year 2024 (FY24) and were provided by the South Carolina Department of Revenue (SCDOR), the South Carolina Education Oversight Committee (EOC), and Exceptional SC.

The ECENC program was reorganized under a proviso in 2016. The program was codified under Act 247 in 2018 and amended in 2021.

SOUTH CAROLINA DEPARTMENT OF REVENUE



The SCDOR oversees the tax credit for Exceptional SC donors as well as the process for eligible parents to apply and receive the Parental Refundable Tax Credit. The SCDOR conducts a study of the ECENC program as prescribed in Act 247 of 2018, amended in 2021.

SOUTH CAROLINA EDUCATION OVERSIGHT COMMITTEE



The EOC determines the eligibility of schools to participate in the ECENC program. Once a school is designated as eligible, it must submit an annual compliance audit as relating to the grants received to maintain eligibility.

EXCEPTIONAL SC



Exceptional SC is a 501(c)(3) that provides scholarship grants to exceptional needs students in South Carolina to attend credentialed private schools. Exceptional SC fundraises, accepts and reviews student grant applications, and awards scholarship grants based on several criteria.

SCHOLARSHIP FUNDS



To be eligible for a scholarship from Exceptional SC, students must be residents of South Carolina, be eligible to attend a public school, complete an application with proof of disability, and attend an EOC approved school. Per statute, scholarships are awarded to incumbents (students who have previously participated in the program) first and then to students who are new to the program.

\$6,202,243

total tax year 2023
donations

1,322

total scholarship
recipients (491 new
and 831 incumbents)

\$4,500

average incumbent
scholarship grant

\$4,500

average new student
scholarship grant

\$5,839,300

total amount of
scholarships
disbursed FY24

FY24 BOARD MEMBERS

Mr. Edward Earwood

Executive Director, South Carolina
Association of Christian Schools

Mrs. Betsy Fanning

Head of School, Trident Academy

Dr. Randy Page

Chief of Staff, Bob Jones University

DONOR TAX CREDIT

Individuals and corporations who pay South Carolina taxes are eligible to donate to Exceptional SC's scholarship fund. Donations to Exceptional SC are claimed as state tax credits.



South Carolina individuals and businesses donate to Exceptional SC.



Donors complete the Exceptional SC Donation Form, and Exceptional SC notifies the SCDOR of the donation.



The SCDOR confirms the credit amount, provided the statewide \$12 million cap has not been met.



Donors claim the credit amount with their SC income taxes using SC1040TC or SC1120TC (code 057).

For tax year 2023, donors were:

- Eligible to claim a dollar-for-dollar credit on state income tax liability **or** entitled to a tax credit against bank taxes imposed pursuant to Chapter 11, Title 12
- Limited to a maximum credit claim that is 75% of their one-year tax liability
- Not allowed to designate a specific student or school as beneficiary
- Limited by a first come, first served annual statewide cap of \$12 million

\$6,202,243
credits approved

\$44,620
average gift per
donor

139
total donors

Data provided by the SCDOR.

PARENTAL TAX CREDIT

Parents or guardians of exceptional needs students attending eligible schools can apply for a refundable tax credit (referred to as Parental Tax Credit or Parental Refundable Credit) toward their South Carolina income tax bill. This credit can only be claimed for actual out-of-pocket spending on tuition, up to \$11,000. There is a statewide cap of \$2 million, with a possibility to be raised to \$5 million. Credits are reserved on a first come, first served basis. For tax year 2023, the credit cap was \$5 million.



Parents make tuition payments to an eligible school for their exceptional needs child.



Parents apply to request the credit. Parents should keep documentation of the child's eligibility for their own records.



The SCDOR confirms the "reservation" of the credit, so long as the statewide cap has not been met.



When the parent files SC income taxes, the Parental Tax Credit amount is used to complete Form I-361.

\$8,464,692

total tax year 2023 credits applied for

997

applicants

575

recipients

\$8,696

average credit per recipient

\$5 million credits approved

Data provided by the SCDOR.

STUDENTS

Act 247 calls for reporting demographic and socio-economic data for participants and their families, including the distribution of scholarship funds by income ranges.

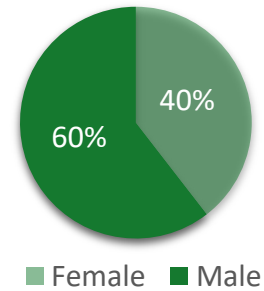
Applicants reported the information below.

PARENTAL TAX CREDIT RECIPIENTS

Data reported by applicants on credit application—not all applicants responded

Household Income Range	# of Recipients
\$0-50,000	16
\$50,001-100,000	78
\$100,001-150,000	117
\$150,001-200,000	107
\$200,001-250,000	79
\$250,001-300,000	37
\$300,001+	121

Age	# of Students
5-10	199
11-15	285
16+	91



\$6,979
average estimated additional expenses of caring for exceptional needs child

2
average number of children in the home

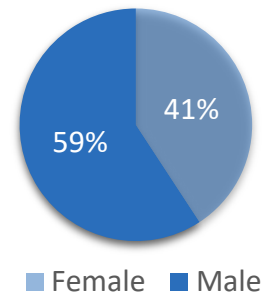
1
average number of exceptional needs children in the home

SCHOLARSHIP RECIPIENTS

Data reported by applicants on scholarship application—not all applicants responded

Household Income Range	# of Recipients
\$0-50,000	136
\$50,001-100,000	314
\$100,001-150,000	340
\$150,001-200,000	183
\$200,001-250,000	101
\$250,001-300,000	64
\$300,001+	183

Age	# of Students
5-10	368
11-15	634
16+	320



\$6,400
average estimated additional expenses of caring for exceptional needs child

2
average number of children in the home

1
average number of exceptional needs children in the home

SCHOOLS

Schools apply to the EOC to participate in the ECENC program. A list of eligible schools is available on the EOC's website (eoc.sc.gov).

To receive an Exceptional SC scholarship grant for an exceptional needs student, the school must:

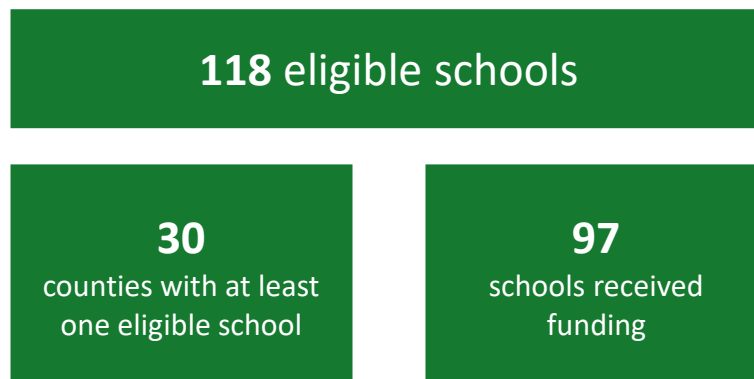
- Be a private primary or secondary school physically located within South Carolina;
- Not discriminate on basis of race, color, or national origin in their admission of students;
- Use a curriculum which includes courses listed in state diploma requirements;
- Use national or state standardized testing and provide test scores to the EOC;
- Have physical facilities that meet local, state, and/or federal laws;
- Be a member of SACS, SCACS, Palmetto Association of Independent Schools, and/or SCISA;
- Complete an annual compliance audit.

Each year, private schools interested in participating in this program must apply for eligibility with the EOC. This application process helps protect students and families by ensuring schools meet and continue to meet the program eligibility requirements.

To be considered for eligibility, a school must initially provide the EOC with:

- An Application to Participate which includes standards the school has met or intends to meet and reporting requirements in compliance with state law,
- Assessment score data from the previous school year,
- A Statement of Services with information on the services and/or resources exceptional needs students receive and what needs those services are geared toward,
- The number of grants and funding received in the previous school year,
- A copy of an audit of the organization's financial statements relating to the grants received.

School eligibility for participation occurs during the school year. The information provided by the EOC to the SCDOR is based on the fiscal year.



Data provided by the EOC and Exceptional SC.

GRANTS BY SCHOOL

The EOC approved 118 schools to participate in the FY24 ECENC program. The following 97 schools received funding from Exceptional SC grants issued for scholarship recipients.

ELIGIBLE SCHOOL	NUMBER OF GRANTS	VALUE OF GRANTS ISSUED
All Saints Episcopal Day School	<10	\$14,500
Anderson Christian School	<10	\$16,500
Ashley Hall	<10	\$56,700
Beaufort Academy	<10	\$7,800
Ben Lippen School	19	\$79,500
Bishop England High School	33	\$145,200
Blessed Sacrament School	<10	\$15,300
Bob Jones Academy	31	\$62,000
Calhoun Academy	<10	\$6,500
Calvary Christian School—Greer	<10	\$8,600
Camden Military Academy	<10	\$38,000
Camperdown Academy	146	\$989,600
Cardinal Newman School	39	\$178,600
Carolina Christian Academy	<10	\$1,100
Chabad Jewish Academy	<10	\$6,600
Charleston Collegiate School	13	\$60,000
Charleston Day School	<10	\$14,800
Christ Church Episcopal School	72	\$391,400
Christ Our King-Stella Maris Catholic School	28	\$62,000
Christian Hope Academy	<10	\$2,600
Clarendon Hall School	<10	\$2,400
Coastal Christian Preparatory School	<10	\$7,300
Colleton Preparatory School	19	\$57,000
Cross Schools	<10	\$3,400
Crown Leadership Academy	12	\$28,100
Cutler Jewish Day School	<10	\$2,600

GRANTS BY SCHOOL

ELIGIBLE SCHOOL	NUMBER OF GRANTS	VALUE OF GRANTS ISSUED
Divine Redeemer Catholic School	<10	\$8,200
Dorchester Academy	<10	\$16,800
Einstein Academy	<10	\$16,200
First Presbyterian Academy	22	\$73,444
Five Oaks Academy	<10	\$3,300
Glenforest School	44	\$217,800
Grace Christian School	<10	\$34,000
Hammond School	<10	\$50,300
Hampton Park Christian School	16	\$32,800
Heathwood Hall Episcopal School	25	\$142,600
Hidden Treasure Christian School	38	\$224,200
Hilton Head Christian Academy	11	\$53,300
Hilton Head Preparatory School	<10	\$3,200
HOPE Academy	42	\$134,400
Hope Christian Academy	<10	\$31,500
James Island Christian School	<10	\$7,900
John Paul II Catholic School	10	\$41,000
Mason Preparatory School	<10	\$35,400
Mead Hall Episcopal School	<10	\$6,900
Miracle Academy Preparatory School	<10	\$13,200
Mitchell Road Christian Academy	24	\$77,100
Nativity Catholic School	<10	\$8,300
Northside Christian Academy	12	\$23,300
Oakbrook Preparatory School	10	\$34,700
Oconee Christian School	<10	\$9,400
Orangeburg Preparatory School	<10	\$6,000
Our Lady of Peace Catholic School	17	\$30,600
Our Lady of the Rosary Catholic School	11	\$35,000

GRANTS BY SCHOOL

ELIGIBLE SCHOOL	NUMBER OF GRANTS	VALUE OF GRANTS ISSUED
Palmetto Christian - Greenwood	<10	\$7,200
Palmetto Christian Academy Mt. Pleasant	23	\$75,900
Patrick Henry Academy	22	\$28,600
Pee Dee Academy	<10	\$34,000
Porter-Gaud School	<10	\$56,137
Prince of Peace Catholic School	<10	\$14,500
Providence Classical School of Rock Hill	<10	\$15,700
Sandhills School	72	\$498,800
Southside Christian School	60	\$232,228
Spartanburg Christian Academy	<10	\$2,000
Spartanburg Day School	19	\$126,400
St. Andrew Catholic School	<10	\$12,400
St. Anne Catholic School - Rock Hill	<10	\$9,800
St. Anthony Catholic School - Florence	<10	\$8,000
St. Anthony of Padua Catholic School	<10	\$9,900
St. Elizabeth Ann Seton Catholic High	<10	\$5,000
St. Francis by the Sea Catholic School	<10	\$14,400
St. Gregory the Great Catholic School	<10	\$7,100
St. John's Christian Academy	10	\$15,987
St. John Catholic School - Charleston	14	\$42,000
St. John Neuman Catholic School	<10	\$19,800
St. Joseph Catholic School - Anderson	<10	\$6,500
St. Joseph Catholic School - Columbia	15	\$36,500
St. Joseph Catholic School - Greenville	20	\$89,350
St. Michael Catholic School	<10	\$5,400
St. Peter's Catholic School - Beaufort	<10	\$3,700
Step of Faith Christian Academy	<10	\$1,300
Sumter Christian School	<10	\$7,200

GRANTS BY SCHOOL

ELIGIBLE SCHOOL	NUMBER OF GRANTS	VALUE OF GRANTS ISSUED
Temple Christian High School	<10	\$3,600
The Chandler School	50	\$296,900
The Charleston Catholic School	<10	\$27,000
The Complete Student	16	\$29,600
The Cooper School	<10	\$20,100
The King's Academy	17	\$60,000
Thomas Hart Academy	<10	\$14,500
Thomas Heyward Academy	<10	\$15,300
Thomas Sumter Academy	<10	\$9,400
Timmerman School	<10	\$13,800
Trident Academy	44	\$357,800
Westgate Christian School	<10	\$1,400
Westminister Catawba Christian School	19	\$73,060

Data provided by Exceptional SC.

DATA BY COUNTY

The chart below provides the number of eligible schools, Exceptional SC scholarship recipients, and Parental Tax Credit recipients by county. For FY24, 16 of South Carolina's 46 counties did not have an eligible school participate in the program.

SC County	# of Grant Recipients	# of Credit Recipients	# of Eligible Schools
Abbeville	0	0	0
Aiken	0	<10	3
Allendale	0	0	0
Anderson	26	<10	5
Bamberg	0	0	0
Barnwell	0	0	0
Beaufort	33	<10	8
Berkeley	61	<10	4
Calhoun	12	0	1
Charleston	359	20	18
Cherokee	0	0	0
Chester	<10	0	1
Chesterfield	0	0	0
Clarendon	<10	0	2
Colleton	28	<10	1
Darlington	<10	0	1
Dillon	0	0	0
Dorchester	10	<10	2
Edgefield	0	0	0
Fairfield	0	0	0
Florence	27	0	4
Georgetown	0	<10	1
Greenville	333	128	19

SC County	# of Grant Recipients	# of Credit Recipients	# of Eligible Schools
Greenwood	0	0	1
Hampton	21	0	1
Horry	20	0	7
Jasper	10	0	3
Kershaw	<10	<10	1
Lancaster	<10	0	2
Laurens	0	0	0
Lee	0	0	0
Lexington	11	10	3
Marion	<10	<10	1
Marlboro	0	0	0
McCormick	0	0	0
Newberry	<10	0	1
Oconee	<10	0	2
Orangeburg	<10	0	1
Pickens	<10	<10	1
Richland	199	39	13
Saluda	0	0	0
Spartanburg	72	12	5
Sumter	11	0	3
Union	0	0	0
Williamsburg	0	0	0
York	37	<10	3

Data provided by Exceptional SC (grant recipients), the SCDOR (credit recipients), and the EOC (schools).

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