

## **TUITION CREDIT**

### **For school and/or CF families**

1. St. Mary Parish will transfer 100% of the profit you earn back to you as a tuition credit if you are a school family or a Christian Formation family. Market day profits also qualify for this benefit. However, if for some reason a family would want to waive this tuition credit, they must notify us in advance.
2. Scrip and market day profits accumulated are reported to you at least twice each school year, typically in December and May.
3. Your friends and relatives are allowed to transfer their profits to you as a credit toward your tuition for the following year. To accomplish this, they simply need to indicate this on the order form each time an order is placed.
4. Alternatively, you could take orders from your family and friends. Complete one scrip gift card order form for the total of these orders. Then you distribute the scrip gift cards to your friends as soon as you receive them. This procedure would give the profits to you directly and no Tuition Credit Authorization Form is needed.
5. If you are a family with children in both our school and Christian Formation programs, THE credit will first apply to the school program. If you wish to change your designation, complete a Credit Designation form. Simply checking a different box on the order form does not assure that the change will be made. We must be notified in writing.
6. If your accumulated profits exceed your tuition bill, the ‘excess’ profits will be assigned as profit for the parish unless you have previously designated, in writing, that these ‘excess’ profits are to be credited to another family.
7. If your accumulated profits are less than your tuition bill, you are responsible for payment of any balance outstanding.
8. IRS regulations state that this plan provides taxable income to you. Therefore the parish is required to issue a 1099 to families who “earn” \$600 or more scrip &/or market day profits in any one calendar year.

<b><u>Period over which Scrip/Market Day Profits are Earned</u></b>	<b><u>School Year for which Scrip/Market Day Tuition Credit is Applied</u></b>
May 1, 2008 to April 30, 2009	2009/2010 school year
May 1, 2009 to April 30, 2010	2010/2019 school year

<b>Example of Scrip 'Profit' Calculation</b>					
	Monthly Purchase	x	Profit %	=	Scrip Profit
If you buy \$400 of groceries monthly from Pick n Save	\$400.00	x	3%	=	\$12.00
If you buy \$100 of gas monthly from Super America	\$100.00	x	4%	=	4.00
If you spend \$50 monthly at restaurants or on fast food and the average profit is 7%	\$50.00	x	7%	=	3.50
If your family spends \$40 monthly at Marcus theaters	\$40.00	x	7.5%	=	3.00
<b>YOUR TOTAL MONTHLY PROFIT</b>					\$22.50
<b>YOUR ANNUALIZED PROFIT</b>	<b>\$22.50</b>	<b>X</b>	<b>12</b>	<b>=</b>	<b>\$270.00</b>

Add to the above profits that could be earned when buying gifts for Christmas, Easter, birthdays, anniversaries plus a summer vacation with a hotel stay and you can see that the numbers do add up.

**Scrip works. It's a win-win for everyone. Give it a try.**

