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Tax Incentive Evaluation: Qualified Foster Care Donation Tax Credit

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Executive Summary

In 2022, the Georgia General Assembly passed the Fostering Success Act, which created a state income tax credit for charitable donations made to Qualified Foster Care Support Organizations (QFCSOs). The purpose of this report is to evaluate this tax credit, in accordance with the provisions of O.C.G.A. § 28-5-41.1 (2024 Senate Bill 366), in terms of its fiscal and economic impacts as well as its public benefits.

This report was prepared under a contract with the Georgia Department of Audits and Accounts (DOAA). The report begins with background on the Fostering Success Act, followed by a discussion of similar policies in other states and a review of academic literature on tax preferences for charitable giving. Subsequent sections present an IMPLAN analysis of the economic and fiscal impacts of the credit, estimates of the tax expenditure and administrative costs, and an analysis of the public benefits of the program in terms of its presumed goal of increasing total charitable giving. Information used in this report was obtained from the Georgia Department of Revenue and Form 990 data on QFCSOs.

The annual cost to the state for this tax credit is estimated at \$11.1 million in fiscal year (FY) 2026. Based on the academic literature and reported contribution revenues of qualifying organizations, overall charitable giving has not been impacted by the credit thus far. We use the IMPLAN input-output model to estimate the economic activity associated with the value of the credit in Georgia but note that it does not impact our estimates of economic impact because the associated donations likely would have occurred absent the credit in the representative year, as shown in the first row of Tables ES1 and ES2.

As a result of providing the Qualified Foster Care Donation (QFCD) tax credit, the state's general fund expenditures are implicitly reduced by the amount of the tax expenditure. In the absence of this credit, an alternative use of the funds is modeled assuming an increase in state spending by that amount, allocated across the various spending categories based on recent state budgets. Tables ES1 and ES2 show the estimated amount of state and local revenue, respectively, from this alternative use of funds, which are the opportunity costs of the QFCD tax credit. The net fiscal cost to the state, accounting for the tax expenditure and opportunity costs, is estimated at \$13.25 million for FY 2026. Table ES2 shows the net local revenue effects on the same basis.

Table ES1. State Fiscal Effects: QFCD Tax Credit, FY 2026–30

<i>(\$ millions)</i>	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenue gains from economic impact	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Less:					
Tax expenditure cost	-\$11.13	-\$18.34	-\$19.46	-\$21.17	-\$22.72
Alternative use revenue gains	-\$2.12	-\$3.49	-\$3.70	-\$4.03	-\$4.32
Net Fiscal Effects	-\$13.25	-\$21.83	-\$23.16	-\$25.20	-\$27.04

Table ES2. Local Fiscal Effects: QFCD Tax Credit, FY 2026–30

(\$ millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenue gains from economic impact	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Less:					
Alternative use revenue gains	-\$0.52	-\$0.86	-\$0.91	-\$0.99	-\$1.07
Net Fiscal Effects	-\$0.52	-\$0.86	-\$0.91	-\$0.99	-\$1.07

The QFCD tax credit provides several public benefits to state residents. Because taxpayers must contribute an amount equal to their liability reduction, it follows that they perceive some additional value from donating. This value may be increased control over tax liability, the belief that qualified nonprofits deploy resources more effectively than the state, or the satisfaction of giving, among others. The QFCD tax credit supports nonprofits that deliver services to vulnerable youth who might otherwise rely more heavily on state programs. By directing funds directly to these organizations, donated monies may be spent more efficiently.

Former foster- and justice-involved youth, who are the primary beneficiaries of the services provided by QFCOSs, have been shown to be disproportionately at risk for a variety of negative outcomes, such as poverty, homelessness, and incarceration. These outcomes obviously lower quality of life but also impose lasting social and economic costs on the state. By channeling resources into support, education, and career development for at-risk youth, QFCOSs can help mitigate these risks, helping more young adults achieve stability and self-sufficiency, while generating long-term public benefits through positive externalities.

Absent the credit, total charitable giving to QFCOSs likely would have been similar over the past few years. It should be noted, however, that the policy is still relatively new, and similar credits have been observed to have ramp-up periods of several years. Furthermore, recent changes made by HB 136 in 2025 are not yet reflected in the available data, but the literature would suggest these changes are likely to strengthen the impact of the policy. It should be noted that the policy has been successful in increasing donations to the qualified foster care services organizations.

The nascence of the policy, the possibility of a strengthening impact in the coming years, and the vulnerable population it aims to support suggest keeping the policy in place. As it matures and recent changes take effect, the policy may induce greater giving, as intended, but additional data is needed to evaluate its full impact. The relevant literature suggests that higher individual limits are associated with increased impacts of similar donation-based credits.

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Introduction

In 2022, the Georgia General Assembly unanimously passed the Fostering Success Act, which created a state income tax credit for charitable donations made to qualifying organizations supporting services to aging-out foster youth in Georgia. The purpose of this report is to evaluate this tax credit in accordance with the provisions of O.C.G.A. § 28-5-41.1 (2024 Senate Bill 366), in terms of its fiscal and economic impacts as well as its public benefits.

This evaluation was prepared under a contract with the Georgia Department of Audits and Accounts (DOAA) and relied on their assistance in obtaining estimates of the program's administrative costs. The report begins with background on the Fostering Success Act, followed by a discussion of similar policies in other states, and a review of academic literature on tax preferences for charitable giving. Subsequent sections present an IMPLAN analysis of the economic and fiscal impacts of the credit, estimates of the tax expenditure and administrative costs, and an analysis of the public benefits of the program in terms of its presumed goal of increasing total charitable giving.

History and Overview of the Fostering Success Act

In May 2022, Governor Brian Kemp signed House Bill (HB) 424, also known as the Fostering Success Act. This bill established a Qualified Foster Child Donation (QFCD) tax credit to fund wrap-around services for aging-out foster youth by offering a dollar-for-dollar tax credit to individual and corporate taxpayers who donate to a Qualified Foster Child Support Organization (QFCSO).

The original credit equaled 100 percent of the qualified donation, up to certain individual limits, and had an aggregate cap of \$20 million. The tax credit is non-refundable, cannot exceed the taxpayer's total income tax liability, and originally had a carry-forward period of five years. To receive the credit, the taxpayer must be preapproved.

In 2024, HB 1181 amended the credit by lowering the allowed carryforward period from five to three years. The credit was further amended in 2025 with HB 136, which expanded the credit through the following changes:

- Broadening the definition of aging foster children to include “justice-involved youth,” thereby expanding the scope of services that qualify and allowing more organizations to be certified as QFCSO eligible to receive credit-supported donations.
- Adding insurance companies to the pool of eligible donors by allowing credits to be taken against the state's insurance premium tax (IPT). However, no more than \$10 million in aggregate may be taken against the IPT.
- Raising the aggregate cap from \$20 to \$30 million, beginning in tax year (TY) 2026.
- Increasing the individual limit for corporations from 10 to 30 percent of the entity's income tax liability.

- Relaxing individual limits for preapproval requests made between July 1 and December 31, if the aggregate cap was not reached in the first half of the year.
- Adding a stipulation that if a taxpayer contributes less than the preapproved amount, the credit amount decreases from 100 percent of the qualified donation to 95 percent of the qualified donation.

Purpose

The primary purpose of providing this credit is to increase private support for organizations that provide support to aging foster children and justice-involved youth. There are an estimated 700 children per year in Georgia who age out of the foster care system. These Georgians often lack a place to go or basic support structures. Furthermore, research has shown that aging foster youth are disproportionately likely to experience a wide variety of negative outcomes, such as homelessness, unemployment, incarceration, and poverty. These outcomes reduce quality of life and impose broader social and economic costs on the state. To address these issues, the state created the QFCD tax credit with the stated aim of improving outcomes for youth exiting foster care by funding education, housing, and counseling, and providing more general support. The policy has been successful in increasing donations to the qualified foster care services organizations.

How the Credit Works

The Division of Family and Children Services within the Department of Human Services is responsible for certifying organizations as QFCOs. A nonprofit organization in the state that primarily supports aging foster children can become a QFCO by applying to DFCS via an online portal. To receive a credit, taxpayers must apply for preapproval with the Department of Revenue (DOR) and notify the department of the amount they intend to contribute. Within 30 days, the commissioner must preapprove, deny, or prorate requested credits on a first-come, first-served basis, according to the remaining statewide cap. Once a taxpayer has been preapproved, they must make the donation to the QFCO within 60 days. Following the receipt of the contribution, the QFCO is required to issue a letter of confirmation to the donor, which the taxpayer then includes on their Georgia tax return.

For TY 2025, the statewide aggregate cap is \$20 million. Starting in TY 2026 (and for all subsequent years), the cap will be \$30 million, but no more than \$10 million will be allowed against the IPT. Credits for donations of the full preapproval amount are for the value of the donation, up to individual limits. If the actual contribution is less than the preapproved amount, the value of the credit is reduced from 100 percent to 95 percent of the qualifying donation.

For preapproval applications made before July 1, single individuals can receive a dollar-for-dollar credit for qualified donations up to \$2,500. Married couples filing jointly can receive a credit of up to \$5,000. Pass-thru entities can also receive a credit up to \$5,000. Corporations and other business entities are allowed credits of up to 30 percent of their income tax liability. Insurance companies are allowed credits against the IPT in an amount equal to their qualified

contributions, but again only \$10 million in aggregate can be taken against the IPT. If the aggregate cap is not reached, additional credits can be approved on a first-come, first-served basis. The total value of a credit cannot exceed the taxpayer's income tax liability for that year. Unused credits can be applied against the tax liability for the next three years.

QFCOs are required to use at least 80 percent of the funds received from qualified donations for qualified expenditures, which include costs associated with wrap-around services for aging foster children and justice-involved youth who are enrolled in educational, vocational, apprenticeship, and mentorship programs.

Furthermore, QFCOs are required to report information to the Department of Revenue each year using form IT-QFCD-FUND2, including the following:

- Total number and dollar value of individual contributions and tax credits approved
- Total number and dollar value of corporate contributions and tax credits approved
- Total number and dollar value of all qualified expenditures made
- List of contributors, including the dollar value of each contribution and the dollar value of each approved tax credit

Qualified organizations must also post financial information related to funds received and the use of such funds to their website. Any QFCO that fails to comply with the regulations outlined in the code shall be given written notice and will then have 90 days to correct deficiencies. If deficiencies are not corrected within this timeframe, DOR will revoke the QFCO status. Upon revocation, the organization is required to cease expenditure of credit-related funds and transfer such funds to a properly qualified organization within 30 days.

Tax Provision-related Activity

Figure 1 below summarizes the generated credit amounts by donor type for TY 2023 and 2024. In TY 2023, the first year the credit was available, DOR data shows that preapproved credits totaled \$11.59 million.¹ According to information in the Qualified Foster Child Donation Credit Report (calendar year 2023), actual contributions were \$11.2 million, representing 97 percent of the preapproved amount.² Of the total preapproved amount, approximately \$6.68 million or 57.6 percent came from individual contributions. In TY 2024, preapproved credits totaled \$13.47 million—a 16.23-percent increase year over year. The 2024 Qualified Foster Child Donation Credit Report shows actual contributions were again approximately 97 percent of the preapproved amount. Preapprovals for individual contributions in 2024 were \$8.67 million, 64.4 percent of the total. Although individual contributions have made up the majority of generated credits thus far, average credit amounts are higher for corporate donors. It should also be noted

¹ dor.georgia.gov/qualified-foster-child-donation-credit

² dor.georgia.gov/qualified-foster-child-support-organization-form-990-and-it-qfcd-fund2-submissions

that the available data does not reflect recent policy changes, and the inclusion of insurance companies in the donor pool has the potential to alter the relative composition of donors.

Figure 1. Generated Credits by Donor Type and Year³

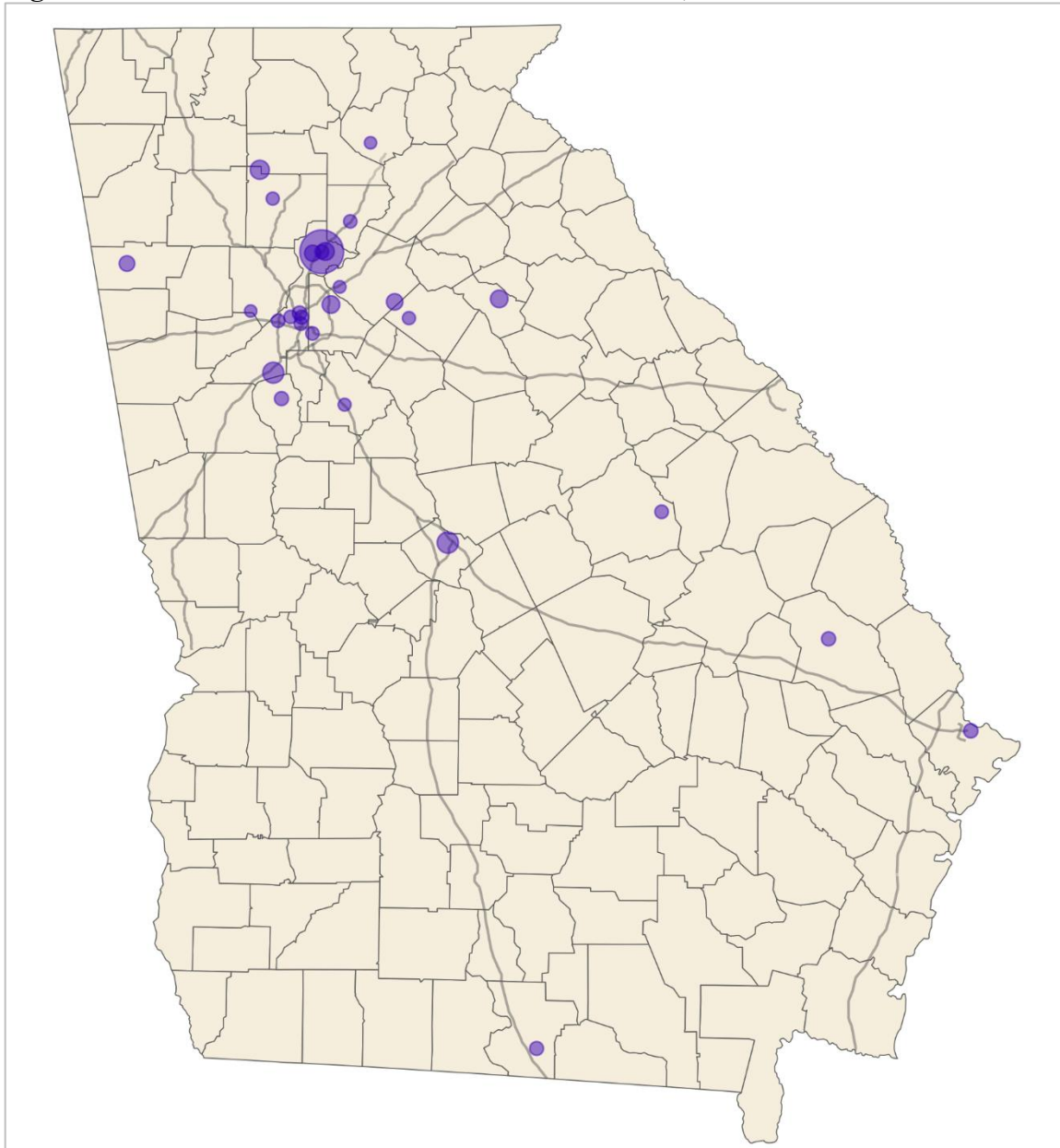


Source: DOR Credit Generation and Utilization Data

Figure 2 shows the geographic distribution of generated credits for 2024, the most recent year for which contribution data at the QFC SO level is available. It should be noted that since 2023, the number of qualified organizations has increased significantly: 19 in the first year of the program to 29 in 2024 and 55 in 2025. Figure 3 shows the locations of the 2025 list of QFC SO but does not include funding data.

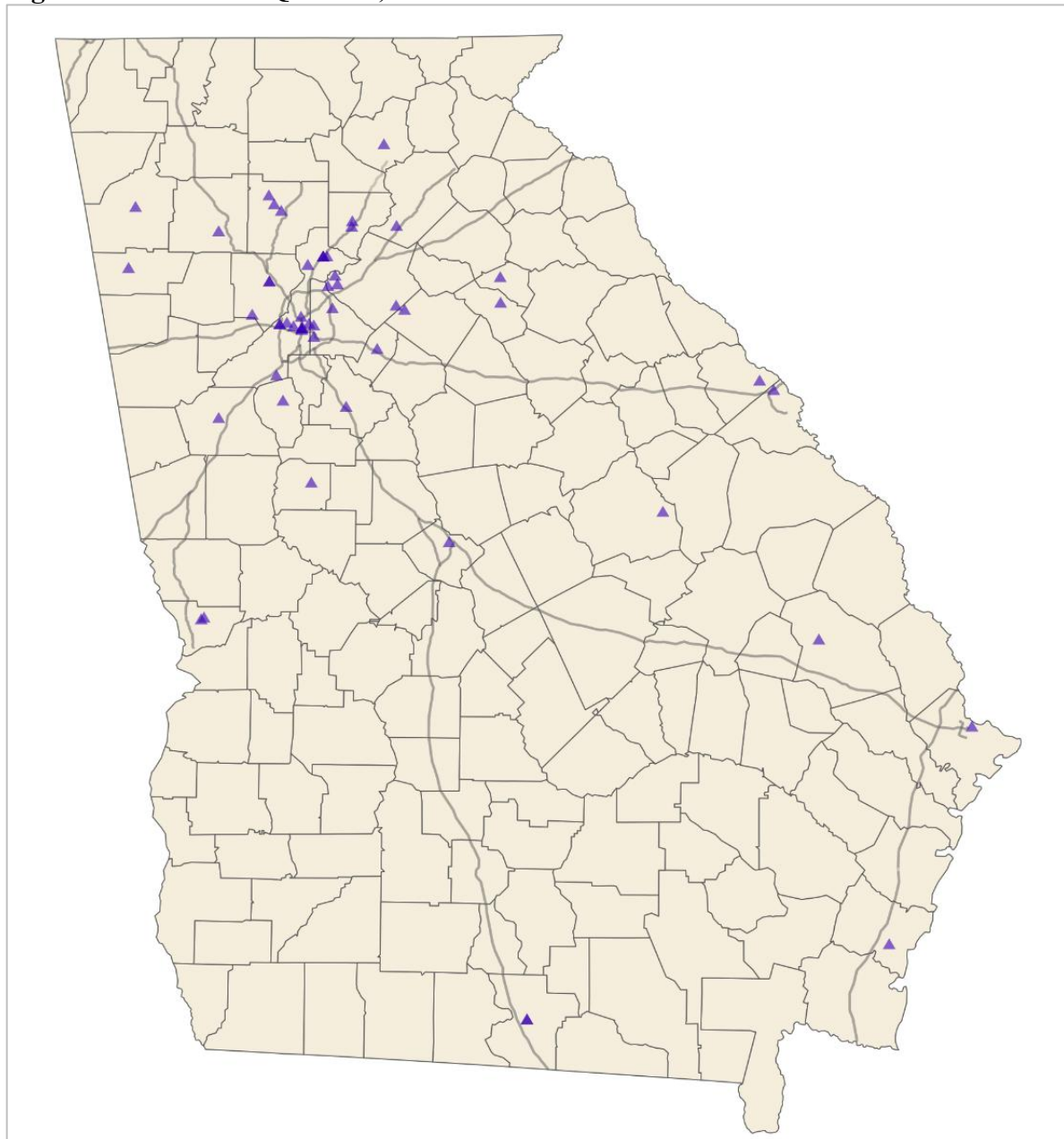
³ Fiduciary donors are estates, trusts, or other taxable entities acting in a fiduciary capacity, as defined in O.C.G.A. § 48-1-2(9).

Figure 2. Location of QFCSOs and Generated Credits, 2024



Note: A larger dot size corresponds to a larger preapproval credit amount.

Figure 3. Location of QFCSOs, 2025



Although generated credits have been significant and growing through the first two years of the program, actual credit utilization has been relatively low, thus far. According to DOR data updated in September 2025, approximately \$5 million of the credits generated in 2023 have been utilized (43 percent), while only \$1.85 million of the credits generated in 2024 have been utilized (13.7 percent). These utilization rates are expected to increase throughout the remainder of the carry-forward period. The available data indicates partnerships and S-corporations have so far utilized credits at a much higher rate than other donor types. Based on the historic pattern of other similar donation-based incentives that allow credits against the IPT, we would expect the inclusion of insurance companies in the donor pool to increase utilization over the next several

years. Based on observed generation, observed utilization, recent policy changes, and historical data on similar policies, the tax expenditure cost of this credit was estimated and projected for the forthcoming fiscal year (FY) 2027 tax expenditure report. Table 1 summarizes the tax expenditure cost of this policy by fiscal year.

Table 1. Tax Expenditure Cost Estimates, FY 2025–27

<i>(\$ millions)</i>	FY 2025	FY 2026	FY 2027
State Tax Expenditure	\$2.5	\$11.1	\$18.3

Table 2 below details the estimates of credit generation and utilization by year. State fiscal impacts are assumed to occur at the time of filing, in the subsequent fiscal year.

Table 2. Estimates of Credits Generated and Utilized, TY 2025–30⁴

<i>(\$ millions)</i>	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Credits Generated	\$14.0	\$25.0	\$26.0	\$28.0	\$30.0	\$30.0
Credits Utilized	\$11.1	\$18.3	\$19.6	\$21.2	\$22.7	\$22.9
Aggregate Cap	\$20.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0

As this credit is relatively new and can be carried forward up to three years, the available data on the policy thus far may not fully capture actual utilization, which can distort annual expenditures. As the level of generated credits increased from TY 2023 to 2024, the drop in expenditure estimates from FY 2024 to FY 2025 is likely explained by accumulated carryforward credits not yet being observed. As the credit matures and carryforward periods are fully realized, actual utilization is likely to be higher for these early years. The large projected increases in FY 2026 and beyond are driven by expected increases in salience, credit utilization, the donor pool, and an increasing aggregate cap. Both generation and utilization in similar donation-based tax credits have been observed to ramp up over the first five years of the policy, and these experiences have been modeled into the above projections.

Federal Deduction and State Charitable Tax Credits Overview

A federal income tax deduction is available for gifts to qualifying charitable and nonprofit organizations. Under IRS regulations, if a taxpayer receives a state or local tax credit for a charitable contribution, their federal deduction must be reduced by the credit amount. This interaction between the QFCD credit and federal tax policy only affects taxpayers who itemize deductions. In TY 2022, 91 percent of individual taxpayers claimed the standard deduction, so the interaction is largely limited to corporate taxpayers and the small share of individuals who itemize. For a more comprehensive discussion on federal interactions, see the attached appendix.

⁴ Actual Contributions in TY 2023 and TY 2024 were approximately 97 percent of the generated amounts shown.

Similar Programs in Other States

Several states allow taxpayers to claim a direct credit against their state income tax liability for making ‘qualified donations’ to eligible nonprofit organizations or state-certified funds. These credits differ from charitable deductions because they reduce tax liability dollar-for-dollar rather than reducing taxable income. The scope and design of these credits vary across states, but they are generally targeted to encourage private giving in areas with strong policy interests. Many programs target specific causes such as education, hunger relief, community endowments, etc.

Targeted charitable donation tax credits are relatively common across states, and a majority of states provide some form of financial aid specifically for foster children pursuing education.⁵ However, few states offer a directly comparable tax credit for donations to foster care support organizations.

Mississippi has a combined tax credit for donations to qualifying charitable organizations or qualifying foster care charitable organizations. This credit is for 100 percent of the donation, up to \$1,500 for single filers and \$3,000 for joint filers. This credit is only for individuals and is not available to business enterprises. The credit is non-refundable but can be carried forward up to five years. The aggregate cap is \$1 million per year.⁶ While a specific evaluation of this policy has not been conducted, the 2024 Mississippi Tax Expenditure Report estimated the cost to the state for the foster care portion of the credit to be \$201,000 in FY 2025.⁷

Louisiana provides a non-refundable, 100-percent credit for donations to qualifying foster care charitable organizations, up to \$50,000 per donor. The credit is available to both businesses and individuals, has a five-year carryforward, and an aggregate cap of \$500,000.⁸ No evaluations or cost estimates are available for this policy.

Indiana has a tax credit for qualifying donations to approved foster care organizations or the Insuring Foster Youth Trust Fund. The credit is worth 50 percent of the donation made to qualifying organizations, up to a maximum of \$10,000 per taxable year. The credit is available for both individuals and businesses, has a \$2 million annual aggregate cap, and is scheduled to sunset in 2027. As of September 8, 2025, \$82,431 of these credits have been awarded in TY 2025.⁹

Arizona provides a tax credit for donations to qualifying foster care charitable organizations. This is a dollar-for-dollar credit up to the limits of \$618 for single filers and \$1,234 for joint filers. Only individuals are eligible for this credit. Credits are non-refundable but can be carried

⁵ “Tuition Waiver Programs for Students with Experience in Foster Care.” *John Burton Advocates for Youth*

⁶ www.dor.ms.gov/credits/QCO-QFCCO

⁷ www.mississippi.edu/sites/default/files/ihl/files/2024.pdf

⁸ www.legis.la.gov/legis/Law.aspx?d=1240472

⁹ www.in.gov/dor/tax-forms/other-forms/foster-credit

forward for up to five years.¹⁰ The Arizona Department of Revenue's Annual Report for FY 2024 indicates that 41,472 individuals claimed this credit in TY 2022, totaling \$26.4 million.¹¹

In October 2023, the Common Sense Institute of Arizona published a report evaluating this credit, along with its companion credit for donations to qualified charitable organizations. These credits are meant to incentivize additional charitable giving in the state. The original credit was created in 1998 but has undergone multiple changes since its inception. In 2016, it was split into two parts, with a standalone credit for donations to qualifying foster care charitable organizations. The splitting of the credit effectively doubled the individual contribution limits. Following this change, qualifying contributions increased by a similar magnitude. The report authors argue that these data suggest high taxpayer interest in the program and binding individual limits. The report further argues that the observed increase in qualified contributions indicates that the credit induces a net increase in overall giving. However, it should be noted the report does not apply empirical analysis to substantiate this claim, and thus the conclusion should be interpreted with caution.

In addition to possibly inducing an increase in overall giving, the Arizona report notes some ancillary benefits of the credit programs. To receive a credit, taxpayers must spend at least as much as they would have paid in taxes on qualified charitable contributions. It follows then that the control over the destination of their tax liability provides some marginal value to taxpayers, and they perceive a greater value in making these donations compared to paying taxes directly to the general fund. The report also cites an article that estimates a significant amount of money budgeted for government assistance programs is ultimately spent on overhead and administrative costs. Therefore, credit programs that direct tax liability directly to charitable organizations may result in more efficient use of donated funds.¹²

Literature Review on Charitable Giving and Qualified Donation Tax Credits

Philanthropy can play an important role in supporting public goods and meeting social needs that governments or markets may undersupply. Many goods and services supported by philanthropy generate positive externalities, meaning their benefits spill over to society at large, rather than accruing only to the donor or recipient (Andrews, 1972).

Broadly, philanthropy distinguishes between pure altruism (where people contribute because they care about the total provision of the public good) and impure altruism or 'warm glow' giving (where donors also derive private satisfaction from the act of giving itself) (Andreoni, 1989, 1990). This distinction matters because warm glow implies that incentives like tax subsidies can stimulate giving, even if they do not change the total supply of the public good.

¹⁰ azdor.gov/tax-credits/credits-contributions-qcos-and-qfcs

¹¹ azdor.gov/sites/default/files/document/REPORTS_ANNUAL_2024_ASSETS_fy24_annual_report.pdf

¹² fee.org/articles/how-does-government-welfare-stack-up-against-private-charity-it-s-no-contest/

Rationale for Tax Preferences in Charitable Giving

Regarding the question of whether charitable contributions should be taxed, scholars offer three main rationales for tax preference:

Tax base rationale: From this perspective, charitable donations are not ordinary consumption but a voluntary surrender of income for the public good. Therefore, they should not be taxed (Reich, 2013).

Efficiency rationale: Charitable giving can help correct the under-provision of public goods—a classic market failure. Many goods and services supported by philanthropy, such as medical research, education, or environmental protection, generate positive externalities (Andrews, 1972). Tax preferences lower the effective cost of giving and incentivize individuals to increase contributions.

Pluralism rationale: From a political economy perspective, channeling resources through charitable organizations rather than through government bureaucracy allows people to express their preferences directly—'voting with their dollars' and supporting causes beyond the preferences of the median voter (Benshalom, 2008; Reich, 2013). In this sense, philanthropy supplements democracy by diversifying social provision and fostering pluralism.

At the same time, there are also concerns of regressivity, fiscal cost, and democratic imbalance, as high-income taxpayers both benefit disproportionately from deductions and exert more influence over resource allocation (OECD, 2020).

Table 3 summarizes the main arguments for and against tax preferences.

Table 3. Arguments For and Against Domestic Philanthropy

Arguments For	Arguments Against
<i>Promotion of Social Welfare and Public Goods:</i> Tax incentives help address market failures related to under-provision of public goods and positive externalities, encouraging societal benefits.	<i>Cost to Government Revenue:</i> Tax concessions reduce public revenues, potentially leading to higher taxes elsewhere or cuts in public services, raising concerns about fiscal sustainability,
<i>Promotes Democratic Values:</i> Encourages the development of civil society, decentralizes decision-making, and supports democratic participation.	<i>Inequity and Regressivity:</i> Tax incentives often benefit higher-income taxpayers more, reinforcing income inequality and conflicting with principles of progressive taxation,
<i>Economic Rationales:</i> Corrects market failure by supporting public goods not supplied privately. Capitalizes on positive externalities for societal benefit.	<i>Democratic and Equity Concerns:</i> Large donors can wield disproportionate influence over societal priorities, undermining democratic processes.
<i>Addressing Funding Gaps:</i> Augments government capacity by mobilizing private	<i>Market Distortions and Fair Competition:</i> Tax exemptions could give philanthropic

resources, expanding financial support for charitable activities.	entities an unfair advantage over for-profit businesses offering similar goods and services, distorting markets.
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Source: OECD (2020)

Types of Tax Relief: Deductions vs. Credits

The most common form of tax relief globally is the *charitable deduction*, which reduces taxable income. Its generosity rises with the donor's marginal tax rate, disproportionately benefiting higher-income taxpayers. By contrast, *charitable tax credits* reduce liability dollar-for-dollar and provide equal proportional benefits to all donors, improving vertical equity (OECD, 2020).

Other mechanisms for encouraging charitable giving include matching schemes, in which the government supplements private donations by adding a public contribution of equal or proportional value, effectively amplifying the donor's impact. Another approach is the allocation scheme, which allows taxpayers to directly assign a small share of their income tax liability to a designated charitable or public-benefit organization when filing their tax return, rather than making a separate donation.

Empirical Evidence: Price Elasticity and Donor Response

Tax incentives for charitable giving work by lowering the effective cost of donating, i.e. the after-tax cost of a \$1 donation. At the federal level, a deduction for charitable contributions has been in place since 1917. Earlier research formed a rough consensus that established a price-of-giving elasticity of approximately -1 (Peloza and Steel, 2005; Auten et al., 2002; Barret et al., 1997; Randolph, 1995). This implies that additional giving induced by the policy is approximately equal to foregone tax revenue at the margin. Newer research, which considers the impact of the 2017 Tax Cuts and Jobs Act, estimates giving to be less responsive for the average donor in recent years (Han et al., 2024; Gravelle and Sherlock, 2020).

At the state level, however, most charitable tax incentives are credits rather than deductions. Credits are more equitable because all taxpayers can claim the same value regardless of their income or tax bracket. Charitable giving tax credits are a common incentive meant to increase giving in certain areas and allow taxpayers some discretion in the use of their state tax liability (De Vita and Twombly, 2004). The drawback is that credits may be less visible, or less salient to taxpayers, which can reduce their effectiveness at promoting certain behavior (Duflo et al., 2006; Chetty et al., 2009; Chetty and Saez 2013).

State-level evidence on qualified donation credits is more mixed. The structure of these policies varies along multiple dimensions, including the size of the credit as a percentage of the donation, individual and aggregate caps, and the eligible donor pool. Empirical studies evaluating the impact of credits with differing structures find these structural elements—particularly the size of the individual cap—play a major role in shaping donor responses to the credits (Gupta and Spreen, 2024; Hungerman and Ottoni-Wilhelm, 2016; Teles, 2016). For instance, Gupta and Spreen (2024) find no measurable effect following the elimination of three small individual limit

credits (\$100 for single filers, \$200 for joint filers) in Michigan, whereas North Dakota's introduction of a \$10,000 credit cap produced persistent 25- to 30-percent increases in contributions.

Teles (2016) uses the synthetic control method to estimate causal effects of two differing state-level charitable giving tax credits. The Endow Iowa Tax Credit provides a targeted 25-percent credit with a cap of \$300,000 per person, and the Arizona Working Poor Tax Credit provided a broadly targeted 100-percent credit with a cap of \$200 per person. The results indicate there was no evidence of a measurable effect for the smaller-cap Arizona credit, while the larger cap of the Endow Iowa credit increased contributions by as much as 125 percent.

Duquette et al. (2018) explore state-level charitable tax credits across a panel data of 23 states from 2000 to 2016. They find that these credits have much weaker effects than the federal charitable deduction. Furthermore, the estimated impacts are not statistically significant. In other words, there is little evidence that state credits lead households to give more or donate more often, even though many of these credits are technically more generous than the well-known federal deduction. Why might this be the case? The findings from the literature can be summarized with some key points.

Saliency and Complexity Issues

- Many taxpayers may not realize such credits exist because they operate at the state rather than federal level.
- Credits are often targeted to specific causes and capped at relatively low amounts, which makes it hard for donors to know whether their gift qualifies.
- Even when aware, donors may not fully understand the credit mechanism. By contrast, people tend to be more familiar with the 'pre-tax' mechanism behind deductions, making those policies easier to grasp and respond to.

Effect of Individual Cap Limits

- Low individual caps may fail to provide sufficient economic incentive to shift or increase total giving.
- Evidence from Arizona's charitable credits show contributions rise as caps increase (Brunner, 2023).
- High-income individuals tend to claim a large portion of these tax credits (Duquette et al., 2018). It follows then that small cap credits elicit weaker responses.

Eligible Donor Pool

- Allowing businesses to claim the credit expands the donor pool to entities with potentially large capacity and incentive to donate, thus making the policy more likely to have an impact on total giving.

Crowding-Out Concerns

One concern with targeted tax credits is whether they actually raise *net* charitable giving or simply *redirect* donations toward qualifying charities. Chatterjee et al. (2020) provides empirical evidence of crowding out in the context of Arizona's state income tax credit for charitable contributions. Their findings show that while donations to qualifying charities increased significantly, there was a corresponding decrease in donations to non-qualifying organizations.

Additionally, Andreoni and Payne (2003) explored how government grants to private charities can lead to reductions in private donations. They show that charities receiving government support might reduce their own fundraising efforts. This strategic response can diminish the effectiveness in increasing total charitable contributions. Andreoni and Payne (2011) extends these findings to Canada. Their study shows that for every dollar of government funding, approximately 75 cents of private donations were displaced. These results provide support to the crowding-out hypothesis, where government incentives shift private giving rather than increase net contributions (Payne, 2009).

In summary, states provide tax credits for certain charitable activities to increase donations in these areas, provide taxpayers with discretion in how their tax liability is used, and increase the efficiency of dollars going to these causes. Research on state level charitable giving tax credits is less common than research on the federal deduction, but the existing literature suggests donor responses to these credits depend on the structure of the policy. Credits with smaller caps and donor pools may not induce additional giving, while larger credits can have a significant impact on donations. It is less clear if observed effects are additional new donations or a crowding out effect with some research indicating redirection of funds toward qualifying organizations, while others argue credits increase overall net giving.

But-for Analysis

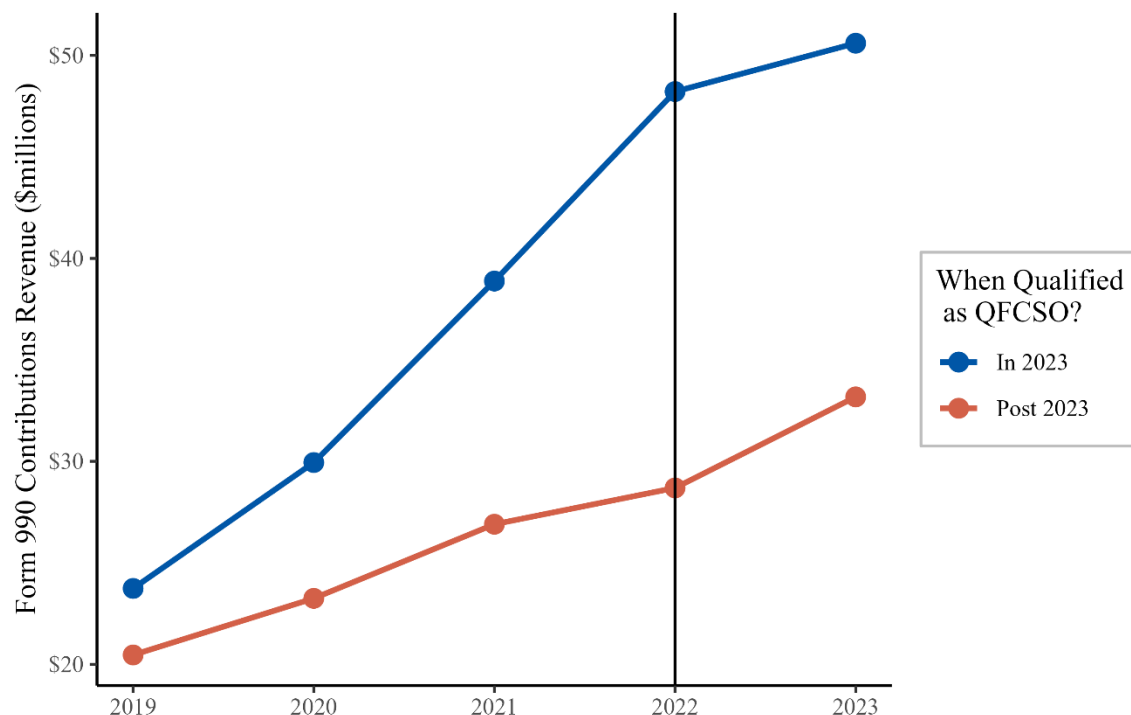
A key component of this analysis is to determine whether the qualified credit-receiving donations represent additional net giving induced by the incentive. In practice, some portion of these contributions may have occurred absent the credit or may reflect substitution from non-qualifying to qualifying organizations, rather than an overall increase in total giving.

As the QFCD credit is relatively new, data on the qualifying organizations is limited. Thus, this analysis relies on the relevant literature for similar policies and the limited information available for the QFCD credit. Figure 5 plots the contribution revenues reported on Form 990 by QFCOS that were qualified in the first year of the program and have a Form 990 filed through TY 2023; it compares this to the same data for QFCOS that were qualified in 2025, but not 2023.

Figure 4 shows that contribution revenues for qualified QFCOS did increase in 2023, the first year the credit was available, but this increase was smaller than increases observed in previous years. The vertical reference line shows the starting point for the credit. This indicates that QFCOS that were qualified in 2023 had a preexisting trend of increasing contribution revenue prior to the implementation of the credit. Organizations that were not qualified in 2023 but

subsequently were certified as QFCSOs also had an increasing trend in contribution revenue reported on Form 990 from 2019–23 and appear to have had a larger relative increase in 2023 despite not being eligible for credit-receiving donations. While these data do not establish causation, they suggest that organizations in this charitable sector have experienced rising donation revenues over the past five years, independent of whether contributions were associated with the credit.

Figure 4. Form 990 Contribution Revenues by Year and QFCSO Certification Date



Moreover, the DOR 2023 submissions report shows that credited contributions accounted for an average of 3.45 percent of total contribution revenue reported on Form 990.¹³ This indicates that QFCSOs receive substantially more in overall donations than the portion tied to tax credits.

The relevant literature and empirical evidence are somewhat mixed but consistently highlight the role of credit structure. Small-cap credits are generally found to have no significant impact on overall giving, while more generous credits induce larger effects—both through substitution and net increases in charitable donations. The QFCD credit does not align neatly with either category, but its relatively modest caps and observed reliance on individual donors suggest it is more comparable to the smaller-cap credits in the literature. Paired with observed data on contribution revenues, the available information seems to indicate the credit has had little impact on overall giving thus far.

¹³ dor.georgia.gov/qualified-foster-child-support-organization-form-990-and-it-qfcd-fund2-submissions

It should be noted again, however, that the policy is still relatively new and similar credits have been observed to have ramp-up periods of several years. Furthermore, recent changes made by HB 136 (e.g., including insurance companies, increasing cap, relaxing individual limits) are not yet reflected in any available data, but the literature would suggest these changes are likely to strengthen the impact of the policy. As the credit matures and recent changes take effect, the policy may induce greater giving as intended, but the available data and literature suggest such impacts have not yet materialized.

Economic Activity

Overview of How Economic Activity Is Measured

We measure economic activity using data on estimated foster care service spending, with FY 2026 as the representative year. As the credit is new, we use this estimate because it represents the estimated reasonable magnitude, given future year estimates. We calculate the net effect of the state-level exemption by assuming all the economic activity would occur without the exemption and then subtracting the estimated economic activity associated with an alternative use of the funds. Table 4 summarizes the estimated economic activity. The remainder of this section provides details.

Table 4. Net Economic Activity – Foster Care Services Provided

<i>(\$ millions)</i>	Employment	Labor Income	Value Added	Output
Gross Activity for Period	308	\$11.3	\$13.8	\$22.1
Less: “But-for” Reduction	308	\$11.3	\$13.8	\$22.1
Activity Net of “But-for”	0	\$0.0	\$0.0	\$0.0
Less: Alternative Use Impacts	243	\$11.7	\$14.7	\$22.0
Net Economic Impact	-243	-\$11.7	-\$14.7	-\$22.0

Source: IMPLAN and authors’ calculations

IMPLAN Model

To estimate the economic impact of the QFCD tax credit in Georgia, the IMPLAN model is used. IMPLAN is a regional input-output model that estimates how an initial change in spending or revenue for any industry category works its way through a regional economy. It also has data on the size of each industry in the economy in terms of revenue and employment at the state and county level. The model includes detailed data on industry size by revenue and employment at the state and county levels and applies sector-specific multipliers to estimate the effects of initial spending by firms on suppliers and labor. For this analysis, we use 2023 IMPLAN data, adjusted to reflect average annual revenues and wages in 2024 dollars. Below is an overview of key IMPLAN terms used in the report.

- *Output* is the value of production. This includes the value of all final goods and services, as well as all intermediate goods and services used to produce them. IMPLAN measures output as annual firm-level revenues or sales, assuming firms hold no inventory.

- Estimates of output changes resulting from all foster care-related economic activity, including education and related services provided, are then used to estimate state and local sales tax revenue.
- *Labor income* includes total compensation—wages, benefits, and payroll taxes—for both employees and self-employed individuals. Wage-gain estimates are used to estimate incremental state income tax revenue.
- *Employment* includes full-time, part-time, and temporary jobs, including the self-employed. Job numbers do not represent full-time equivalents, so one individual may hold multiple jobs.
- Three changes (effects) comprise the *total impact* and can be calculated for relevant activity reviewed (output, employment, and labor income):
 - *Direct effects* are the changes that initiate the ripple effects through the economy. For this analysis, direct effects are increased firm output (revenue) directly attributable to the credit.
 - *Indirect effects* are the economic activity supported by business-to-business purchases in the supply chain for child and family care services. For example, types of assessments of children that are beyond the expertise of the foster care workers would be included here. Each of the supplying businesses subsequently spends a portion of the money they receive on their own production inputs, such as office space, computers, and supplies, which in turn prompts spending by the suppliers of these inputs. This spending continues but progressively diminishes in its in-state impacts due to ‘leakages,’ which occur when firms spend money on imports (including imports from other states), taxes, and profits.
 - *Induced effects* are economic activity that occurs from households spending labor income earned from direct and indirect activities. This activity results from household purchases of items such as food, healthcare, and entertainment. The labor income spent to generate these effects does not include taxes, savings, or compensation of nonresidents (commuters), as these leave the local economy (leakage).

Table 5 shows the economic impact associated with the representative year FY 2026 foster care spending. The benefit of the tax credit is modeled as additional income to the family and child services sector. Direct spending by this sector, due to the additional income, supported 250 direct jobs with a total labor income of \$7.9 million. Foster care sector spending supported an additional 58 indirect and induced jobs, but it should be noted that these do not necessarily reflect full-time employment. In total, foster care spending associated with the QFCD credit also supported \$11.3 million in total labor income, \$13.8 million in value added, and \$22.1 million in total output.

Table 5. Economic Impact of Foster Care Spending, FY 2026

(\$ millions)	Employment	Labor Income	Value Added	Output
Direct Effect	250	\$7.9	\$7.3	\$11.1
Indirect Effect	17	\$1.1	\$1.8	\$3.5
Induced Effect	41	\$2.3	\$4.6	\$7.5
Total Effect	308	\$11.3	\$13.8	\$22.1

Source: IMPLAN and authors' calculations

Alternate Use of Forgone Revenue/Tax Expenditure

The induced economic impacts estimated above do not account for forgone state revenues, i.e., the economic impacts of alternative uses of the funds currently expended through this tax credit. SB 366 requires evaluations of tax incentives to include estimates of *net* economic and fiscal impacts, thus requiring consideration of the economic and revenue effects of alternative uses of the revenues that would be available for other purposes in the absence of the exemption.

Alternatives could include other economic incentives, spending in other policy areas across state government, or a reduction in taxes—all of which could also result in direct, indirect, and induced economic effects. However, absent information as to how the General Assembly would otherwise choose to spend foregone revenue if not on the credit, we estimate the impact of using the revenue to fund an equivalent increase in state government spending in proportion to existing expenditures. That is, we allocate the foregone revenue to industry sectors as direct effects based on the sector shares of spending in the state budget. The two largest categories of spending—education (47 percent) and healthcare (21 percent)—account for about 68 percent of the state budget for FY 2025 (see Appendix B for more details).

As detailed in Table 6, if the state received the forgone revenue associated with the excluded foster care spending, it could be expected to generate approximately \$21.95 million in gross output. This estimate includes \$11.13 million in annual direct government outlays (the FY 2026 estimated tax expenditure for the exemption) plus the amounts shown for indirect and induced effects resulting from the initial, direct outlays.

Table 6. Summary of Alternative Use Economic Impacts

(\$ millions)	Employment	Labor Income	Value Added	Output
Direct Effect	185	\$8.33	\$8.20	\$11.13
Indirect Effect	15	\$0.93	\$1.64	\$3.05
Induced Effect	43	\$2.43	\$4.81	\$7.77
Total Effect	243	\$11.70	\$14.66	\$21.95

Source: IMPLAN and authors' calculations

Fiscal Impact

A summary of the fiscal impacts of the QFCD credit is presented in Table 7 below. We then detail the estimates of the revenue effects of the credit's economic impacts and the opportunity cost of the tax expenditure—the revenues that could be expected from the alternate use of funds. The detailed estimates are projected forward to obtain the amounts below.

Table 7. Fiscal Impact Summary

(\$ millions)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Tax Expenditure Cost						
State	-\$2.48	-\$11.13	-\$18.34	-\$19.46	-\$21.17	-\$22.72
Revenue Gains from Economic Impact						
State	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Local	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Alternative Use Reduction						
State	-\$0.47	-\$2.12	-\$3.49	-\$3.70	-\$4.03	-\$4.32
Local	-\$0.12	-\$0.52	-\$0.86	-\$0.91	-\$0.99	-\$1.07
Net Fiscal Effects						
State	-\$2.95	-\$13.25	-\$21.83	-\$23.16	-\$25.20	-\$27.04
Local	-\$0.12	-\$0.52	-\$0.86	-\$0.91	-\$0.99	-\$1.07
Total Net Fiscal Effects	-\$3.07	-\$13.77	-\$22.69	-\$24.08	-\$26.19	-\$28.11
State ROI	-0.19	-0.19	-0.19	-0.19	-0.19	-0.19

Note: The ROI value indicates for every dollar invested, 19 cents are lost.

Revenue Impacts

Forgone Revenue

We estimate foregone revenue associated with project expenditures of the representative year, outlined below in Table 8, estimating lost revenue from the QFCD credit based on expected growth in donations, as discussed earlier.

Table 8. Tax Expenditure Cost Estimates

(\$ millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY2030
State Tax Expenditure	-\$11.13	-\$18.34	-\$19.46	-\$21.17	-\$22.72

Source: DOR data and authors' calculations

Additional Tax Revenue

Below, Table 9 shows the estimates for state and local tax revenues attributable to economic activity associated with the base year of FY 2026. State income tax is estimated using employee compensation generated by IMPLAN. Labor income estimated in the family and child care services sector is comprised mostly of service workers, with an average income of approximately \$37,000 per job. Based on Georgia DOR tax data—specifically, the net tax liability relative to adjusted gross income (AGI) for taxpayers with similar AGI in tax year (TY) 2022—we estimate an average effective tax rate under current law of 5.13 percent on labor income for in-state residents.

IMPLAN incorporates estimates of sales and property taxes. However, the model relies on levels of economic activity rather than sales or property tax rates and tax bases; thus, they are not our preferred estimates. Instead, to estimate sales tax revenues, we use the model's estimated incremental output for various retail sectors and adjust for the taxable portion of sector sales to arrive at estimates of taxable sales. For retail sectors, IMPLAN reports as output only the retail gross margin, not the total sales at retail, so these estimates are grossed up using average gross margin rates from IMPLAN for each retail sector to arrive at estimated sales to which the tax would be applied. The state sales tax is calculated using the state sales tax rate of 4 percent, and

the local sales tax is calculated using an average local sales tax rate of 3.38 percent—the population-weighted average as of January 2024, according to the Tax Foundation. The state and local sales tax estimates for the base year are also shown in Table 9.

To estimate the additional property tax due to the economic activity associated with the tax credit, we calculate the ratio of the IMPLAN estimate of sales tax to our preferred estimate of sales tax above and apply this to the IMPLAN estimate of property tax revenue. This estimate assumes that economic activity generating IMPLAN’s sales tax estimates is like that which generates the property tax—thus, this estimate should be treated cautiously.

Finally, about 76 percent of Georgia state tax collections come from personal income and state sales taxes. Georgia collects a host of other taxes that make up the remaining 24 percent, on average. Two taxes make up about one-half of the 24 percent: corporate income tax and title ad valorem tax (TAVT) on motor vehicles.

Table 9 shows the base-year estimated revenue from these other taxes, assuming a proportional effect, such that 24 percent of total tax revenues holds for the economic activity resulting from the QFCD credit. Recall that the but-for analysis concludes that, in the short term, the same amount of foster care donations would be made if the tax credit was removed. Thus, the estimates in Table 9 have no fiscal impact on the state because the credit is deemed to have no short-term economic impact.

Table 9. State and Local Tax Revenue from Foster Care (FY 2026 base, \$ *millions*)

Tax Type	State Revenue	Local Revenue
Personal Income Tax	\$0.58	
Sales Tax	\$0.16	\$0.16
Property Tax	\$0.00	\$0.29
All Other State Taxes	\$0.23	
Total	\$0.97	\$0.45

Source: IMPLAN and authors’ calculations

We next estimate the additional tax revenue associated with the alternative use scenario outlined in the economic activity section of this report.

State and Local Taxes Generated from Alternative Use of Funds

New annual tax revenues resulting from the alternative use case are estimated in a similar manner as that generated by projected expenditures.

Table 10. State and Local Tax Revenues: Alternative Use of Funds (\$ *millions*)

Tax Type	State Revenue	Local Revenue
Personal Income Tax	\$0.60	
Sales Tax	\$0.09	\$0.09
Property Tax	\$0.00	\$0.13
All Other State Taxes	\$0.22	
Total	\$0.92	\$0.23

Source: IMPLAN and authors' calculations

Administrative Costs

Foster care credits are in a group of several other credits that require pre-approval and have a cap on the total donations. These credits include:

- PEACH Education Credit
- Qualified Education Expense Credit
- Qualified Law Enforcement Credit
- Rural Hospital Credit

These credits are generally administered by a team of seven individuals in the Taxpayer Services Division of DOR as well as a team of business testers to make sure the credits work in a testing environment. It is estimated that the total personnel cost is \$505,000 annually when including fringe benefits. The Department also estimates that it costs approximately \$325,000 per year from an IT perspective to program and update all of its tax credits. Finally, the Department estimates it costs about \$5,000 per year from a tax policy perspective. Thus, on an annual basis, it costs approximately \$835,000 for the administration of this type of tax credit.

Public and Ancillary Benefits

Beyond its direct fiscal and economic impacts, the QFCD credit provides several important public and ancillary benefits. The dollar-for-dollar structure allows Georgia taxpayers to redirect a portion of their state income tax liability to QFCOs. Because taxpayers must contribute an amount equal to their liability reduction, it follows they perceive some additional value from donating. This value may be from the increased control over their tax liability, the belief that qualified nonprofits will deploy resources more effectively than the state, or the satisfaction of giving, among others. This policy supports nonprofits that deliver services to vulnerable youth who might otherwise rely more heavily on state programs. Research on charitable tax credits suggests this can improve the efficiency of social spending by reducing administrative and overhead costs, while fostering stronger community engagement by giving taxpayers greater choice in how their dollars are used.

QFCD rules require donations to be spent primarily on qualified expenditures such as education, mentorship, apprenticeship, housing, and medical services for youth aging out of foster care or those involved with the juvenile justice system. A substantial body of research shows these populations face elevated risks of poverty, homelessness, and incarceration. Such outcomes

impose lasting social and economic costs on the state. By channeling resources into education and career development, the policy has the potential to mitigate these risks—helping more young adults achieve stability and self-sufficiency—and generating long-term public benefits.

These benefits are reinforced by firsthand accounts from stakeholders. Representatives of three QFCOs described the credit as highly impactful and transformative, noting that credit-related donations provided critical resources to young adults across the state and enabled hundreds to pursue post-secondary education and training. Stakeholders emphasized that donors valued the opportunity to direct their state taxes toward supporting foster youth, and QFCOs reported that the funding has been instrumental in helping participants transition out of homelessness, meet urgent financial needs, and overcome barriers to education and career development.

While the credit has not yet demonstrated measurable effects on donor behavior, its impact may grow as the program matures and recent policy changes take effect. While the policy has not generated new donations, it has been successful in increasing donations to the qualified foster care services organizations. Therefore, terminating the provision could reduce private support for QFCOs, especially over the long run, which may result in undersupplying support services for the targeted populations. In turn, lack of support may increase the likelihood of negative outcomes, negative externalities, and increased social costs.

Methods to Optimize Tax Credit Performance

As noted earlier, the cap on the QFCD credit is \$20 million, increasing to \$30 million in tax year 2026. For the representative year, \$11 million was estimated to be raised, and recall that 97 percent of the preapproval amount for this credit was actually donated. This is also a relatively new credit that has shown growth to qualified organizations since its inception. It is estimated to reach the \$30 million cap in TY 2029 (see Table 2).

DOR suggested several strategies to help credits reach the cap. First, intermediaries play an important role in those credit programs that get closer to their caps, such as rural hospitals and the private scholarship tax credit. These intermediaries reach out to potential donors and guide them from pre-approval through utilization.

Another important feature of successful credit management by intermediaries is an ‘addback’ program, which monitors taxpayers’ federal filings and deducts any amount taken or intended to be taken against federal income. This amount then is returned to the state credit and allowed to be utilized. Note that the rules on addbacks are changing, and in fiscal year 2026 all credit addbacks will be administered by DOR.

Other evidence from the evaluations includes the following. Limits on corporate donations may hinder reaching the cap. Also, the role of pass-through entities is important for larger credits, and higher limits for these entities help to increase donations. This credit allows for additional donations with higher cap limits after a certain date if the cap limit has not been reached. This has been shown to be an effective tool in other credits for reaching the cap amount, such as the rural hospital credit.

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Appendix A. The Federal Deduction

The 2017 Tax Cuts and Jobs Act (TCJA) materially weakened the federal tax incentive by nearly doubling the standard deduction and cutting individual rates. Consequently, there was a large reduction in the number of taxpayers who itemize, which reduced the effective federal subsidy for charitable donations for millions of filers. Additionally, TCJA capped the federal deduction for state and local taxes (the SALT deduction) at \$5,000 for individual filers and \$10,000 for married filing jointly.

In response, many states sought ‘workarounds’ to preserve deductibility for their residents. One of the earliest strategies adopted by some states was to create charitable funds to which taxpayers could ‘donate’ in exchange for state income or property tax credits. For example, New York established the Charitable Gifts Trust Fund, allowing donations to health and education sub-funds in return for an 85 percent state income tax credit, while New Jersey allowed local governments to grant up to a 90 percent property-tax credit for contributions to municipal charitable funds.

However, the Treasury Department and IRS quickly issued regulations that curtailed these efforts. These regulations required taxpayers to reduce their federal charitable deduction by the value of any state or local tax credit received in exchange, effectively neutralizing most of these SALT workaround schemes.

At the same time, these developments spurred renewed interests on targeted, state-level ‘qualified’ donation tax credits, programs that pre-dated the TCJA but gained salience as alternative vehicles for channeling private contributions toward public purposes. Unlike the broad charitable SALT workarounds, qualified donation credits are narrowly defined, typically supporting education scholarships, foster care, or conservation easements, and are subject to strict caps and certification requirements.

The One Big Beautiful Bill (OB BB) Act, enacted in July 2025, has introduced additional tax changes that significantly altered federal charitable incentives. It created a universal above-the-line charitable deduction for non-itemizers. This measure allows individuals who take the standard deduction to also deduct up to \$1,000 in cash donations (\$2,000 for married filing jointly). OB BB narrows the tax value of itemized charitable deductions by imposing a cap on the tax benefit available to itemizers (a 35-percent cap for top-bracket filers, reduced from 37 percent) and introducing an AGI floor (0.5 percent of AGI for individuals) that donors must exceed before itemized charitable deductions apply. Additionally, the bill created a federal tax credit for donations to K-12 scholarship granting organizations (SGOs). Taxpayers cannot claim the federal deduction on amounts for which they claim federal SGO credit.

Appendix B. Value of Alternative Use

Table B1 shows the approximate breakdown of state expenditures into functional areas that either directly correspond or are similar to the specified IMPLAN sectors in terms of the nature of labor and other inputs.

Table B1. Breakdown of State Expenditures by Functional Area

Category	Share of State Spending	IMPLAN Codes	IMPLAN Sector Descriptions
Education, P-K–12	40.0%	462	Elementary and secondary schools
Education, Post-Secondary	15.1%	463	Post-secondary education, colleges
Health Care	22.7%	475	Individual and family services
Public Safety, excluding Corrections	3.4%	453	Facilities support services
Public Safety, Corrections	4.3%	457	Investigation and security services
Mobile Georgia	7.2%	439	Architectural, engineering, related services
Growing Georgia	1.9%	451	Management of companies and enterprises
General Government	5.4%	469	Management of companies and enterprises

Source: Spending shares based on AFY 2019, AFY 2025 Governor's Budget Report
opb.georgia.gov/budget-information/budget-documents/governors-budget-reports