

FSTC RESOURCE

State Opt-In Tracker

A practical guide to participating states, what state participation means, and how families, schools, and donors should think about cross-state questions while final IRS/Treasury guidance is pending.



27 participating states listed by IRS

As of the IRS page last reviewed April 16, 2026, 27 states had made an advance election to participate for 2027. EdGen should update this tracker from the IRS page before publication and before major donor or family communications.

i Why state opt-in matters

A state must choose to participate and provide a list of SGOs before a taxpayer can donate to an SGO within that state and claim the FSTC.

i What this tracker is

A public-facing, practical status guide for schools, families, donors, and community leaders.

i What this tracker is not

It is not an eligibility decision, legal opinion, tax advice, or final word on cross-state scenarios.

Key caveat: Treasury/IRS guidance may clarify whether eligibility depends on parent residence, student residence, school location, SGO location, or another rule in cross-state cases.



CURRENT IRS LIST

Participating States for 2027

The states below are listed by the IRS as having made an advance election to participate under Section 25F for 2027. This list should be rechecked frequently because state participation and SGO listings can change.

South / Southeast

- Alabama
- Arkansas
- Florida
- Georgia
- Louisiana
- Mississippi
- South Carolina
- Tennessee
- Virginia
- West Virginia

Midwest / Plains

- Indiana
- Iowa
- Missouri
- Nebraska
- North Dakota
- Ohio
- Oklahoma
- South Dakota

Mountain / West

- Alaska
- Colorado
- Idaho
- Montana
- Nevada
- Texas
- Utah
- Wyoming

Northeast

- New Hampshire

How to use this page

- Use this as a directional program status tracker, not an individual eligibility determination.
- Before donor pushes or family campaigns, check the IRS page and confirm whether EdGen is listed as an SGO in the relevant state.
- Cross-state cases should be flagged for follow-up until Treasury/IRS guidance is final.

STILL PENDING

Cross-State Scenarios to Flag

One of the most important open operational questions is how the program applies when the family, student, school, or SGO are in different states. This page is designed for careful public-facing communication while final guidance is pending.



Family lives in opt-in state, school is in opt-in state

Likely the simplest case, but final SGO listing, school participation, student eligibility, and family income rules still apply.



Family lives in opt-out state, school is in opt-in state

Needs final guidance. Do not promise eligibility. Capture interest and flag for review.



Family lives in opt-in state, school is in opt-out state

Needs final guidance. The program may depend on residence, school location, SGO location, or another rule.



School across a state line serves many families

Plan for parent communication that separates confirmed program rules from pending cross-state guidance.



Donor lives in one state and supports an SGO in another

Donor eligibility and claimability should be reviewed with tax advisors and final IRS guidance.



Multiple SGOs serve the same school community

Families and schools should avoid duplicate applications unless the SGO process specifically allows coordination.

Recommended language

"We are collecting preliminary information and preparing for FSTC implementation. Some cross-state eligibility questions still require final Treasury/IRS guidance, so no family should treat this as an eligibility determination or award guarantee."

OPERATIONAL GUIDE

Keeping the Tracker Current

The public website should present a simple tracker, but internally EdGen should maintain a more detailed spreadsheet that can be updated as state participation, SGO listing, and final guidance evolve.

Monthly update workflow

1

Check IRS page

Confirm participating states and page update date.

2

Confirm SGO listing

Verify whether EdGen appears, where applicable.

3

Update website

Revise state tracker, last-updated date, and caveats.

4

Notify stakeholders

Send school/donor/family updates when status changes.

Recommended website fields

- State name
- Status: participating / not participating / pending
- IRS source date
- EdGen SGO status
- School onboarding status
- Cross-state eligibility note
- Last updated date

Website disclaimer

State participation does not guarantee family eligibility, school participation, donor credit utilization, or scholarship awards. Final eligibility depends on federal law, IRS/Treasury guidance, state participation, SGO listing, family income, documentation, funding availability, and EdGen policy.

Source note: IRS Federal Scholarship Tax Credit page, participating states list, last reviewed April 16, 2026. Review before publication.

EdGen action item

Build a public "Participating States" page with a last-updated timestamp and a downloadable PDF. Add a form where schools and families can register interest even if their state or cross-state scenario is still pending.