

ALABAMA DEPARTMENT OF REVENUE
ADMINISTRATIVE CODE

CHAPTER 810-28-1
THE CHOOSE ACT PROGRAM

810-28-1-.02 Program Overview and Fund Allocation.

The department is responsible for the allocation of the refundable income tax credit subject to the availability of monies in The CHOOSE Act Fund. The refundable income tax credit, in the form of an ESA, is available to the parent of an eligible student as follows:

1. For the years beginning on January 1, 2025, and January 1, 2026, the refundable income tax credit shall be available to the parent of an eligible student whose family had an adjusted gross income not exceeding 300 percent of the federal poverty level for the preceding tax year.

2. For the years beginning on or after January 1, 2027, the refundable income tax credit shall be available to any parent of an eligible student.

3. The priority of the allocation of the refundable income tax credit must be awarded as follows:

a. The department shall reserve the first 500 tax credits for the parent of an eligible student who is a special-needs student.

b. Remaining tax credits must be awarded first to participating students and siblings of participating students, then to participating students who are dependents of active duty service members enrolled in or assigned to a priority school as defined in Section 16-6D-4, and then based on the family's adjusted gross income as a percentage of the federal poverty level.

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Statutory Authority: Title 16, Chapter 6J and §40-2A-7(a)(5), Code of Ala. 1975.

History: New Rule: Published November 27, 2024; effective January 11, 2025.