

School Choice Snapshot

An introduction to the basics of
school choice and supplement to
The ABCs of School Choice

2026 EDITION



WELCOME TO EDUCATIONAL CHOICE

There are many different schooling options, and we welcome them all under the broad umbrella of choice. But not all educational choice programs are created equal. Public charter schools and public-to-public transfers, for example, have provided options within the traditional system, but those programs leave many schooling types off-limits for families.

Our goal as the nation's oldest school choice organization is to highlight and promote the programs that create the most pathways for students to lead successful lives. That's why we focus our efforts on education savings accounts (ESAs), tax-credit ESAs, vouchers, tax-credit scholarships, and refundable tax credits. We also highlight individual tax credits and deductions and 529 savings accounts. These programs are more limited and tend to provide minimal financial assistance to families.

We believe access should be universal and that all families should be able to find what works for their students—regardless of where they live or how much money they make. This guide will introduce you to the fundamentals of school choice and answer some basic questions about why and how these programs work.

EMPOWERING PARENTS

Any conversation about K–12 education should start with those who benefit from it: students and their families. We trust parents to know their kids, and we want to open the door to opportunities that will help those students learn and grow.

Far too often, the educational choice debate becomes about money and power when it should be about access and opportunity. The good news is that if families and students are given the funds, they can access options that work for them. And that's our ultimate goal. We want a K–12 system that doesn't walk, talk or act like a massive, unfair bureaucracy. It's not based on your ZIP Code or your income, and it's not a faceless algorithm telling you what's best for your child. It's centered around each student's unique needs. We believe that when parents and families come first—and get the respect they deserve—our kids will always come out ahead.

Editor's note: Program types are current as of June 2026. Many states provide program participation data for the 2025-26 school year. However, some state participation data is lagging with the most recent data coming from the 2023-24 or 2022-23 school year.

FEATURED TYPES OF SCHOOL CHOICE

Education Savings Accounts (ESAs)

Tax-Credit Education Savings Accounts

School Vouchers

Tax-Credit Scholarships

Refundable Tax Credits

Individual Tax Credits and Deductions
and 529 Savings Accounts

OTHER TYPES OF CHOICE

Charter Schools

Homeschooling

Hybrid Homeschooling

Inter/Intra-District Public School Choice

Magnet Schools

Microschooling

Online Learning

Personalized Learning and Learning Pods

Town Tuitioning

OTHER TYPES OF CHOICE EXPLAINED

Charter Schools

Charter schools are independently run public schools exempt from many rules and regulations in exchange for increased accountability.

Homeschooling

Homeschooling is a form of education for children outside of public or private schools, typically within their own homes or co-ops. Homeschooling is regulated differently from state to state.

Hybrid Homeschooling

Hybrid homeschooling is an educational model where students split their time between homeschooling and a traditional classroom setting.

Inter/Intra-District Public School Choice

Sometimes referred to as open enrollment, inter- and intra-district choice laws allow families to choose traditional public schools other than the ones the government assigned based on their ZIP Codes.

Magnet Schools

A magnet school is a public school that offers specialized curricula and programs not available in traditionally assigned district public schools. Magnets are designed to attract students with a common interest or skill set, and students must apply and be accepted to enroll.

Microschooling

Microschooling is the reimagining of the one-room schoolhouse, where class sizes are usually fewer than 15 students of varying ages, and the schedule and curriculum are tailored to fit the needs of each class.

Online Learning

Online learning allows students to work with their curriculum and teachers over the internet—in combination with, or in place of, traditional classroom learning. Online schools can be public or private.

Personalized Learning and Learning Pods

Personalized learning is unique to every child. As an example, some students might use ESA or course choice programs to mix courses from public schools with privately tutored classes at home, online courses, special education therapies and a work-study internship. Some families have formed pods where small groups of children are taught a tailored curriculum at home by parents, tutors, or hired teachers.

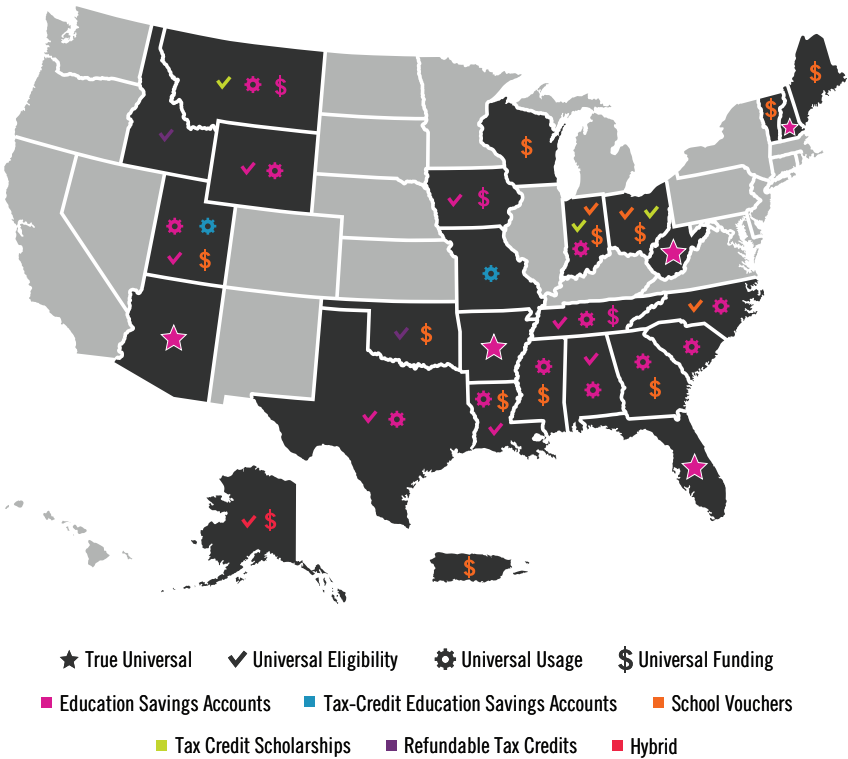
Town Tuitioning

Town tuitioning allows students who live in towns that don't have district public schools to receive their per-pupil education tax dollars to pay tuition at a neighboring town's public school or a private school of their choice.

UNIVERSALITY PROGRAM LIST

Merely creating school choice programs isn’t enough. To “change the character of education” as first envisioned by EdChoice founders Milton and Rose Friedman, programs must be available to all students, fully funded with predictable, sustainable revenue streams, and offer families wide flexibility in how they may spend program dollars.

This map shows which states have programs that meet some level of universality, either in eligibility, options, funding, or a combination of the three. This map does not, however, go into detail on funding at the student level. For those interested in details regarding funding parity — funding students in choice programs at an equal level to students in public district schools — please refer to the *EdChoice Friedman Index* to see which states do this well and which states fall short.



Note: States with multiple programs may enjoy multiple universal aspects spread across one or more programs. To be considered truly universal, a state must offer a single program meeting all three standards.

★ **True Universal:** Truly universal states offer school choice programs that are available to all students, permit families to use funds on all options, and have a non-capped source of funding that is consistent and sustainable, providing funding to any eligible student that wishes to participate in the program. Arizona, Arkansas, Florida, New Hampshire, and West Virginia all boast truly universal ESA programs.

✓ **Universal Eligibility:** All K–12 students in these states qualify to participate in a choice program. Nineteen states offer a school choice program to all students. Programs that will automatically become universal after a phase-in period are included.

⚙️ **Universal Usage:** These states allow families wide flexibility in how they may spend program funds. EdChoice considered the 15 most common educational expenses, and states permitting a majority of those uses are considered to have programs with universal options. Programs that require families to spend on tuition first were excluded, unless the state offers multiple programs that can work in partnership to achieve this standard. Eighteen states have programs with universal options.

\$ **Universal Funding:** Programs considered universally funded are those where the non-capped source of funding is consistent and sustainable and either provided through the state’s funding formula, education budget, general revenue streams, or an ongoing appropriation with an automatic escalator provision to meet demand. Nineteen states plus Puerto Rico have programs with universal funding.

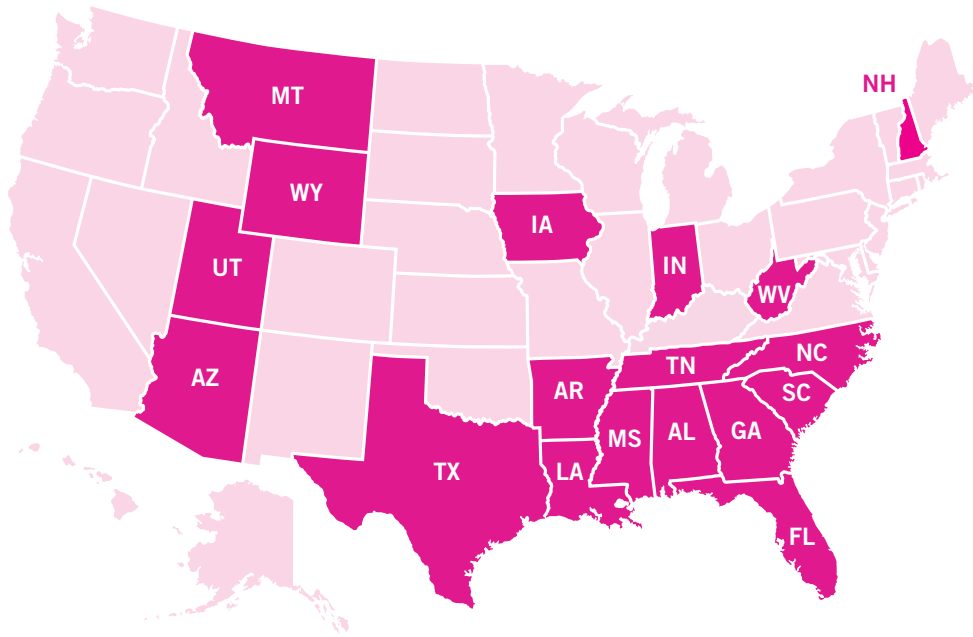
EDUCATION SAVINGS ACCOUNTS (ESAs)

Education savings accounts (ESAs) in K-12 education establish for parents a publicly funded, government-authorized savings account with restricted, but multiple uses for educational purposes. Parents may use the funds to pay for expenses including: school tuition, tutoring, online education programs, therapies for students with special needs, textbooks or other instructional materials, and sometimes, save for college.

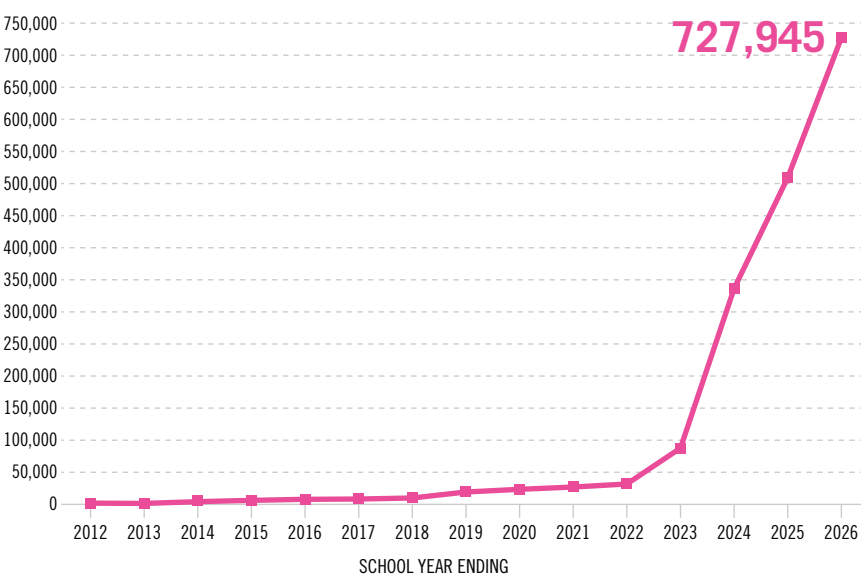


**SCAN THE QR CODE TO LEARN MORE
ABOUT ESAS**

18 STATES HAVE EDUCATION SAVINGS ACCOUNTS.
727,945 STUDENTS USE ESAs NATIONWIDE.



NUMBER OF STUDENTS USING ESAS



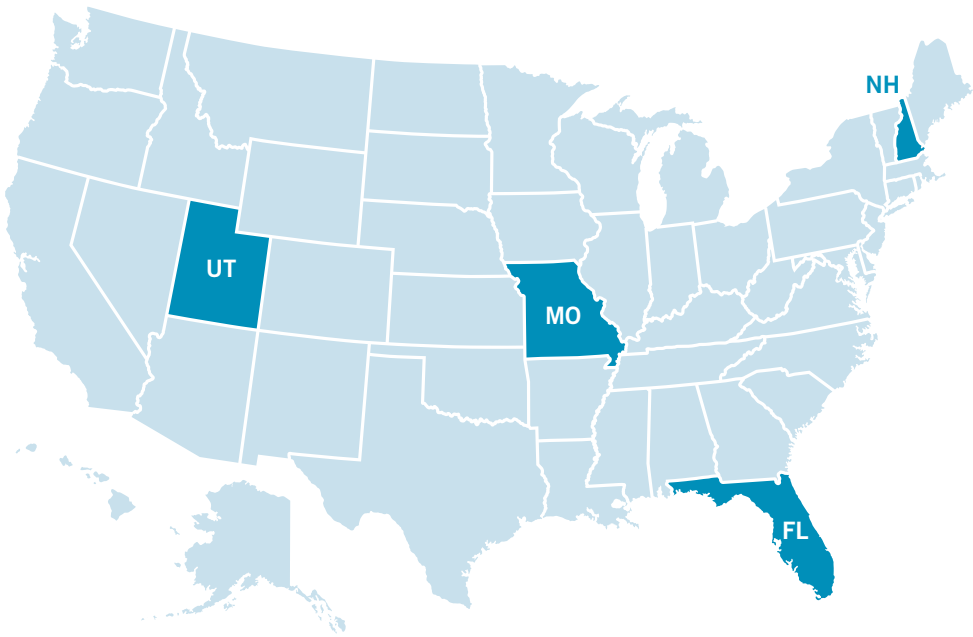
TAX-CREDIT EDUCATION SAVINGS ACCOUNTS (ESAs)

Tax-credit ESAs function the same way as publicly funded ESAs from a family's perspective, but their funding stream is different. Tax-credit ESAs allow taxpayers to receive full or partial tax credits when they donate to nonprofit organizations that fund and manage parent-directed K-12 education savings accounts. Families may use those funds to pay for multiple education-related expenses, including private school tuition and fees, online learning programs, private tutoring, community college costs, higher education expenses and other approved customized learning services and materials, and roll over unused funds from year to year to save for future educational expenses. Some tax-credit ESAs, but not all, even allow students to use their funds to pay for a combination of public school courses and private services.

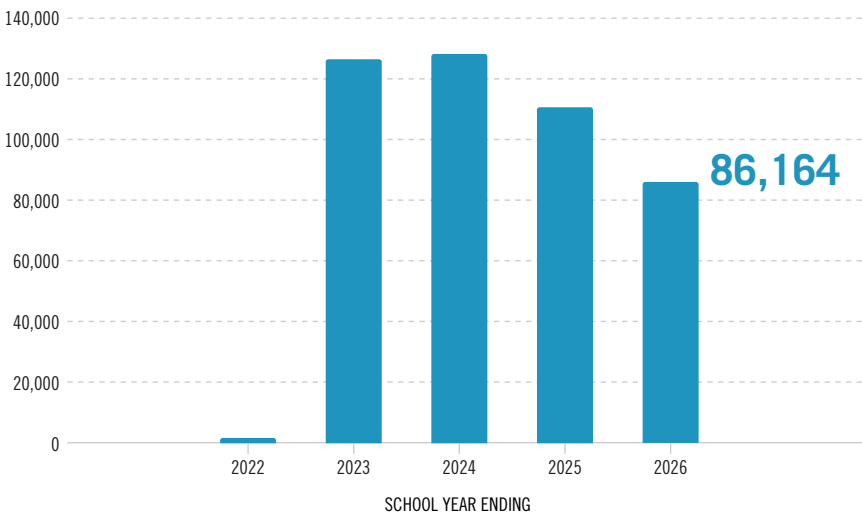


**SCAN THE QR CODE TO LEARN MORE
ABOUT TAX-CREDIT ESAS**

4 STATES CURRENTLY HAVE A TAX-CREDIT
ESA PROGRAM. **86,164 STUDENTS** USE A TAX-
CREDIT ESA NATIONWIDE.



NUMBER OF TAX-CREDIT ESAs AWARDED



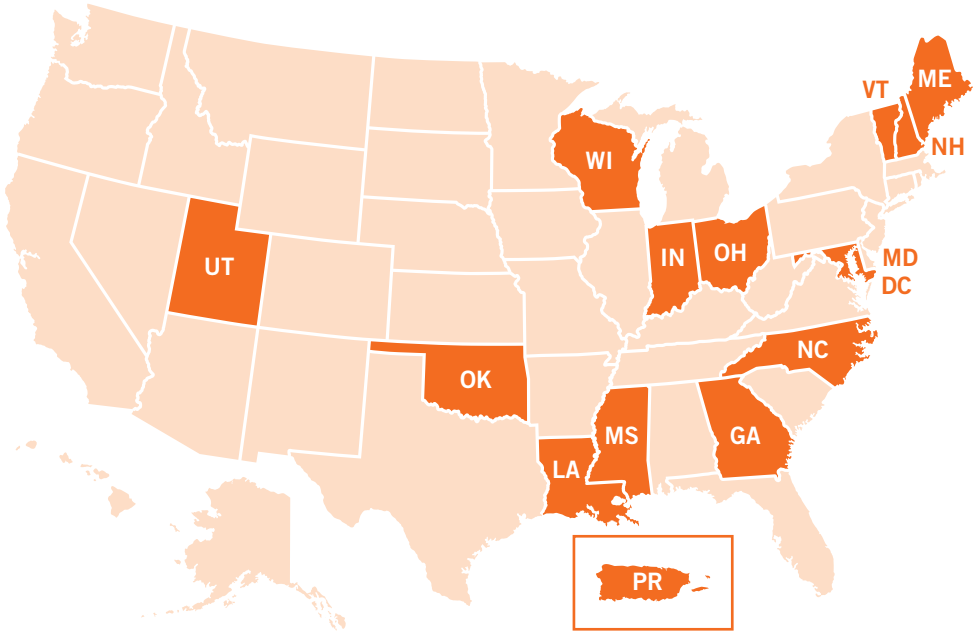
SCHOOL VOUCHERS

Vouchers give parents the freedom to choose a private school for their children, using all or part of the public funding set aside for their children's education. Under such a program, funds typically expended by a school district would be allocated to a participating family in the form of a voucher to pay partial or full tuition for their child's private school, including both religious and non-religious options.

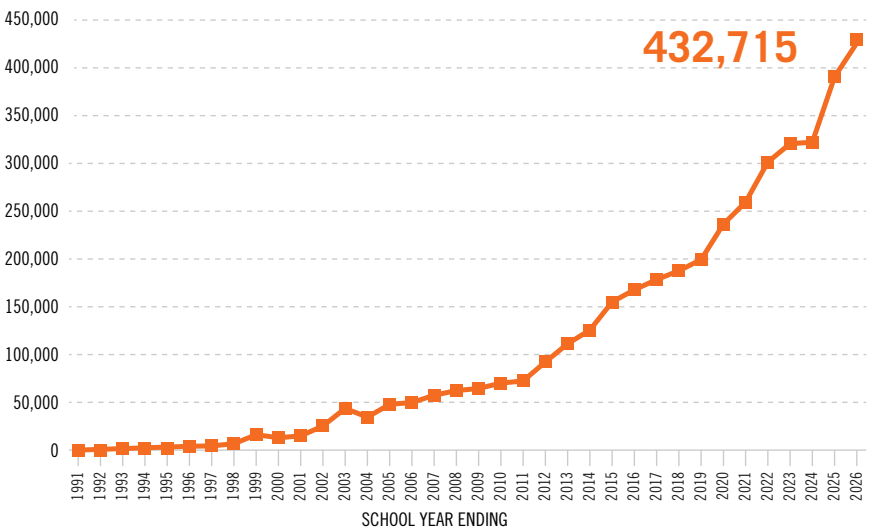


**SCAN THE QR CODE TO LEARN MORE
ABOUT VOUCHERS**

**13 STATES, D.C. AND PUERTO RICO HAVE
SCHOOL VOUCHERS. 432,715 STUDENTS USE
VOUCHERS NATIONWIDE.**



NUMBER OF STUDENTS USING VOUCHERS



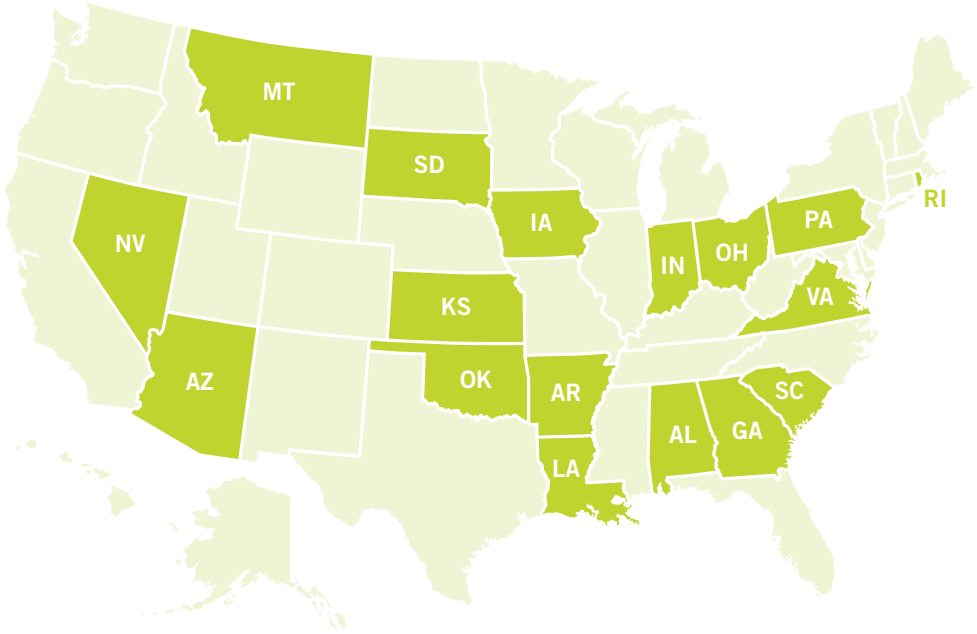
TAX-CREDIT SCHOLARSHIPS

Tax-credit scholarships allow taxpayers to receive full or partial tax credits when they donate to nonprofits that provide private school scholarships. Eligible taxpayers can include both individuals and businesses. In some states, scholarship-giving nonprofits also provide innovation grants to public schools and/or transportation assistance to students who choose alternative public schools.

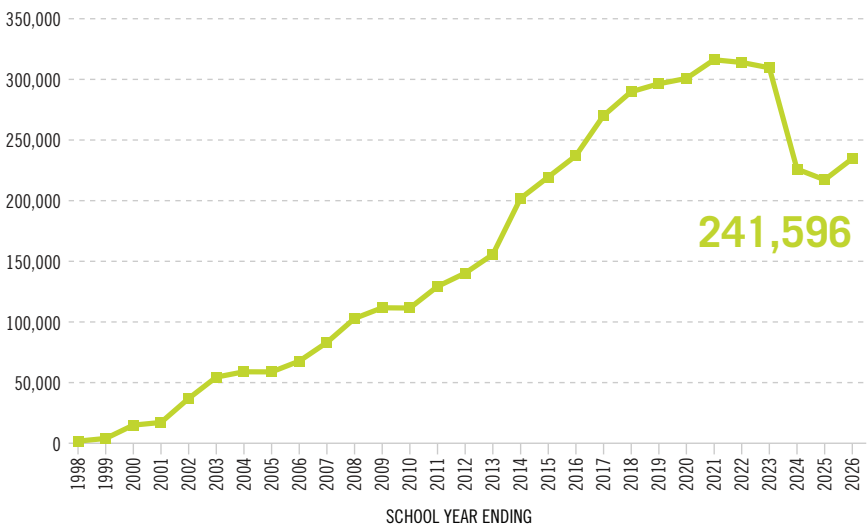


**SCAN THE QR CODE TO LEARN MORE
ABOUT TAX-CREDIT SCHOLARSHIPS**

17 STATES HAVE TAX-CREDIT SCHOLARSHIPS.
241,596 STUDENTS USE TAX-CREDIT
SCHOLARSHIPS NATIONWIDE.



NUMBER OF TAX-CREDIT SCHOLARSHIPS AWARDED



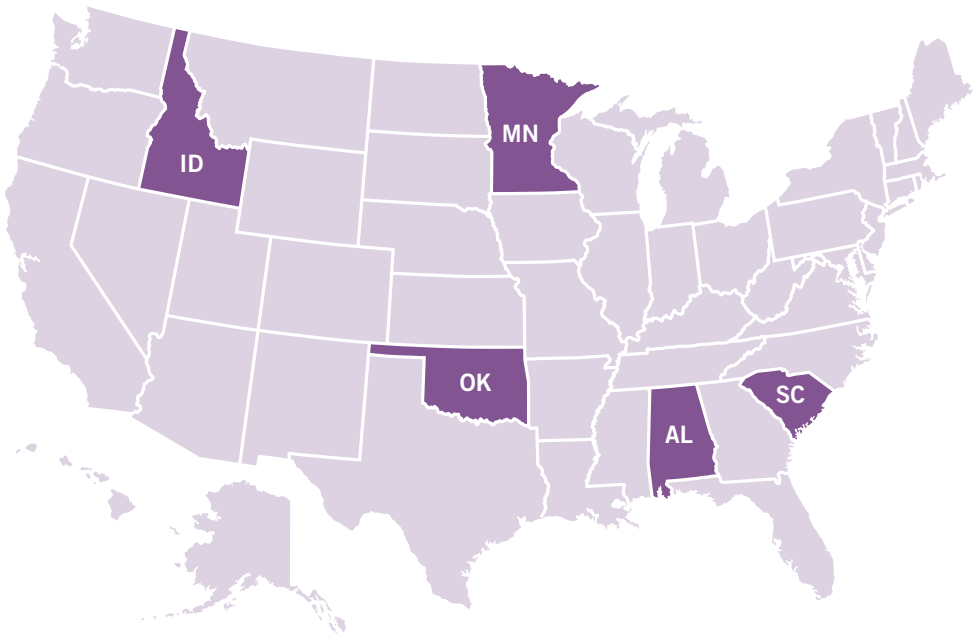
REFUNDABLE TAX CREDITS

Refundable tax credits allow parents to receive state income tax relief for approved educational expenses, which can include private school tuition, books, supplies, computers, tutors, and transportation. What makes the credit “refundable,” is if the credit exceeds the tax imposed by the government, the excess amount is refunded to the taxpayer (the parents)—similar to the Child Tax Credit, or Earned Income Tax Credit. In other words, if the cost of tuition or other allowable educational expenses exceeds what the parent owes the state in taxes, the parent can still receive up to the maximum allowable credit to offset those expenses.

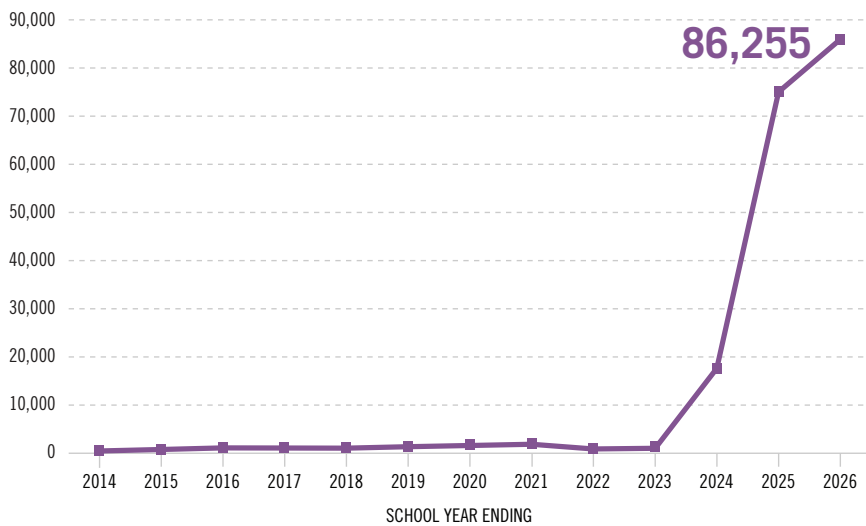


**SCAN THE QR CODE TO LEARN MORE
ABOUT REFUNDABLE TAX CREDITS**

5 STATES HAVE REFUNDABLE TAX CREDITS.
86,255 STUDENTS USE REFUNDABLE TAX CREDITS NATIONWIDE.



NUMBER OF REFUNDABLE TAX CREDITS



INDIVIDUAL TAX CREDITS AND DEDUCTIONS

and 529 SAVINGS ACCOUNTS

529 SAVINGS ACCOUNTS

A 529 savings plan is a specialized savings account designed to help families save money to pay for future educational expenses. 529 plans are sponsored by states, state agencies, or educational institutions and are authorized by Section 529 of the Internal Revenue Code.

Most commonly, parents or other relatives start a 529 plan with a child as the beneficiary, which means the money is to be used for the child's education, but the parent or other account custodian actually controls the funds.

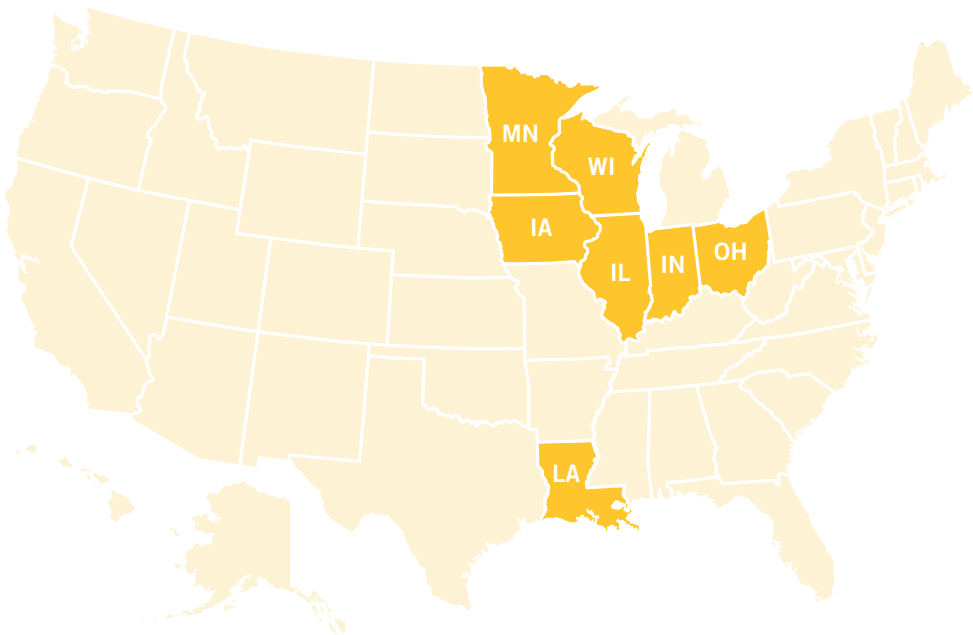
These plans historically operated as college savings accounts. The Tax Cuts and Jobs Act, passed in 2017, expanded the allowable uses of these accounts to include up to \$10,000 in annual private K–12 tuition expenses. That's why we are including them.

The expansion to include K–12 expenses could be helpful for some parents who want to send their children to private elementary or secondary schools, but it's important to note that these plans are only available to those with money to invest—they are not a substantive school choice program where public funds set aside for a child follow that child to the educational setting that works best for him or her.

INDIVIDUAL TAX CREDITS AND DEDUCTIONS

Individual tax credits and deductions allow parents to receive state income tax relief for approved educational expenses, which can include private school tuition, books, supplies, computers, tutors, and transportation.

7 STATES HAVE IND. TAX CREDITS AND DEDUCTIONS.
320,707 STUDENTS USE IND. TAX CREDITS NATIONWIDE.
275,116 STUDENTS USE IND. TAX DEDUCTIONS NATIONWIDE.



**SCAN THE QR CODE TO LEARN MORE ABOUT
INDIVIDUAL TAX CREDITS AND DEDUCTIONS**

FEDERAL TAX CREDIT FOR SCHOLARSHIPS

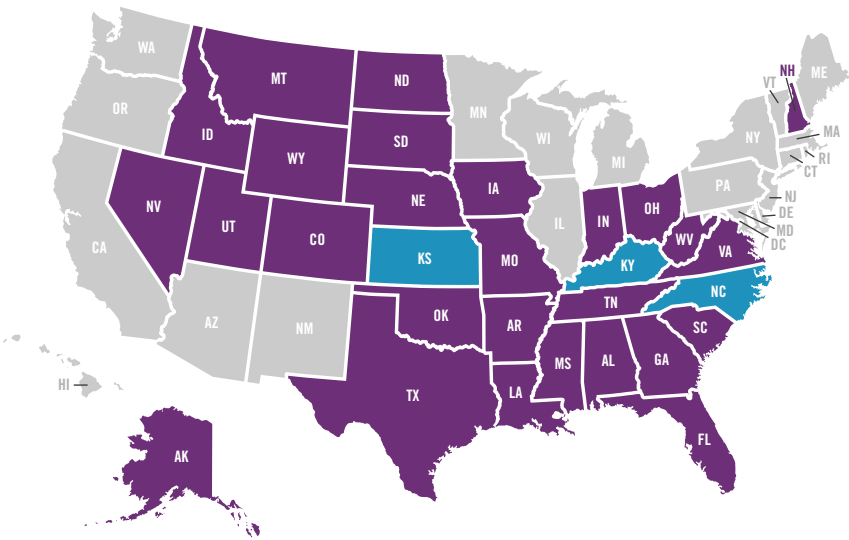
In July 2025, the federal “Individual Tax Credit for Qualified Contributions to Scholarship Granting Organizations,” better known as the FTCS, was signed into law. This historic action provides an option for every state in the nation to participate in a federal tax credit that will provide scholarship funding to help over 90% of K–12 students eligible to enroll in a public school pay tuition at the school of their choosing, or pay for tutoring, disability services, and more. The law sets an annual deadline, beginning January 1, 2027, for each state’s governor (or designated individual, agency, or entity) to elect the state to participate in the FTCS and to furnish the U.S. Secretary of the Treasury with a list of its eligible scholarship granting organizations (SGOs). At the time of publication, 27 states have filed their election to participate in the FTCS, and another three states are in the process of filing. SGO lists will not be accepted by Treasury until procedures for submitting SGO lists have been determined by Treasury later this year.

FTCS is a federal tax credit, not an education program, yet it looks like the typical state tax-credit scholarship program (TCS). Individual taxpayers with up to \$1700 in federal tax liability (and not corporations) may contribute up to \$1,700 to an eligible SGO operating in any participating state, receiving a dollar-for-dollar credit towards their federal tax liability. Individuals living in a state that is not participating in the FTCS may nonetheless direct their contribution to an SGO located in a different state from their residence, if that state is participating.

The statute provides basic regulations for how SGOs operate so that their donors qualify for a federal tax credit. SGOs must provide scholarships to 10 or more students who are not all attending the same school, and they must spend at least 90% of their income received for FTCS scholarships on eligible students. SGOs must verify family income on an annual basis to ensure only eligible students benefit. Rulemaking at the Department of the Treasury is ongoing for calendar years 2026 and 2027 to address implementation of these and other provisions.

The FTCS statute references expenses listed in the federal Coverdell Education Savings Accounts law as allowable uses for FTCS funds; these include tuition and fees, academic tutoring, special needs services, books and supplies, computer technology, among other expenses listed in Coverdell, all of which will be addressed by the Department of Treasury during rulemaking later this year.

A MAJORITY OF STATES HAVE OPTED TO PARTICIPATE IN THE FEDERAL TAX CREDIT FOR SCHOLARSHIPS.



• OPTED-IN • OPT-IN PENDING

As of July 1, 2026



LEARN MORE ABOUT THE FTCS

FREQUENTLY ASKED QUESTIONS

Q What do people think about school choice?

A American parents want access to a more diverse set of educational options than they can get in our current K–12 system. Our most recent polling found that while about three quarters of American students attend public district schools, only about a third of parents said they would choose a traditional public school in their local district as a first choice. But don't take our word for it: national polling by *Education Next* and *USA Today* has shown growing support for school choice over the past decade, with the strongest support among Millennials.

Q How does educational choice affect school funding?

A When a student leaves a school—regardless of type—the school doesn't have to educate that student. When any school gains or loses students, it must adjust accordingly, and schools shouldn't get paid for students they don't educate. The most-used form of school choice in America is when families access a particular school by renting or buying a home in their desired district or utilize public-to-public transfer programs that allow them to attend a school outside the district where they live. The biggest question policymakers have to answer when it comes to K–12 funding is whether the money set aside to educate children should follow them to the people and places that educate them—whether that's in their district, outside their district, in a private setting, online, or at home.

Q Does school choice cause segregation?

A America's public schools are more segregated today than they were when *Brown v. Board of Education* was decided. School choice actually reverses that trend by breaking down geographic and socioeconomic barriers that disproportionately affect communities of color. The research shows that students in school choice programs attend more integrated schools than their public school counterparts, and vouchers are moving students into private schools that are substantially less segregated than public schools.

Q Are these programs legal?

A School choice is constitutional at the federal level and in most states, as long as policies and programs are designed properly. The U.S. Supreme Court has made it clear that public funding can be allocated to a family to spend on a child's K–12 schooling, including for faith-based education. Some states have constitutional language prohibiting the use of taxpayer dollars to support faith-based schools, but these provisions have been challenged federally and at the state level.

Q How are schools held accountable?

A Accountability is better left in the hands of families than bureaucrats, and we know that parents care far less about test scores than they do about students having access to quality instruction in a safe, nurturing schooling environment that reflects their values. That said, state policymakers have the ability to design school choice programs that represent the will of their citizens, and those programs can include state-based or nationally norm-referenced tests, health, and safety requirements and other regulations. Ultimately, we trust families to know what's best for their kids.

Q What about students with special needs?

A School choice empowers families with students who have special needs to find what works for them. In fact, many school choice programs across the United States have been designed specifically to serve students with special needs because they are often left behind when they are assigned to a school under the traditional system.

The most popular and flexible form of choice is education savings accounts or ESAs, which allow families to tailor schooling options beyond tuition—for example, with specialized therapy or tutoring. ESAs represent the next wave of school choice and can be particularly helpful for students with special needs who require customized learning opportunities. It's important to note that families of students with special needs are informed of their rights when they opt into non-traditional programs.



EdChoice is a 501(c)(3) national nonprofit, nonpartisan organization headquartered in Indianapolis. Our mission is to support educational freedom and choice for all as a pathway to successful lives and a stronger society. Our team is driven by the shared passion to see a K–12 education system where all families, regardless of race, origin or family income, are free to choose a learning environment—public or private, near or far, religious or secular—that works best for their children. The organization was established in 1996 as the Milton and Rose D. Friedman Foundation and formally changed its name to EdChoice in 2016.

WHAT WE DO

It takes an army of passionate advocates equipped with high-quality research to make school choice a reality. Our mission-driven work breaks down into three categories: providing original research and data analysis; bringing choice-minded folks together for trainings and outreach events; and investing resources in states that embrace the idea that families should be in the driver's seat when it comes to K–12 education.

You can learn more about our work at edchoice.org, where we regularly publish new reports, policy briefs, and blog posts. You also can find and download specific information about school choice in your state and how you can become more involved.

POLICY AND ADVOCACY

We are on the ground supporting coalitions in key states that are driving high-quality educational choice.

- **State Outreach** to educate the public on the need for and benefits of educational choice.
- **Expert Technical Advice** on school choice programs and policies and their fiscal effects.
- **Building and working** with local coalitions.

RESEARCH

We invest in original state and national research to deliver the most up-to-date information about educational choice. Our high-quality, independent research focuses on how school choice programs affect students, families, schools, taxpayers, and communities.

TRAINING AND OUTREACH

We help policymakers, advocates, parents, program administrators and other stakeholders through trainings including:

- **Fact-Finding Trips** bring legislators to states with robust educational choice programs to learn how school choice is implemented and thriving.
- **Legislator Training** helps state policymakers and staffers better understand educational choice.
- **Parent Organizer Training** educates and connects parents who support educational choice.

FISCAL RESEARCH AND EDUCATION CENTER



*Fiscal Research
& Education Center*
By EdChoice

FREC studies the fiscal externalities of private educational choice programs on public schools and taxpayers and transparency issues. It uses data and works with state and national partners to inform parents, policymakers, the media and other interested citizens so they are aware of the true fiscal cost of the traditional K–12 public education system and the true savings that would result from allowing more educational choice.

EDCHOICE LEGAL ADVOCATES



EdChoice
Legal Advocates

To safeguard choice programs for families, EdChoice created EdChoice Legal Advocates (EdLA) to engage in the school choice litigation effort directly. In recent years, the battle over school choice has increasingly moved from federal to state courts, with more lawsuits focused on state constitutional and statutory claims. While many such claims invoke state-specific laws, the central legal defense of school choice remains the same: Legislatures may empower parents to decide how to spend their children's education funds.

2026 EDITION



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All Students. All Options. All Dollars.®