https://www.statehousenews.com/news/education/divisions-remain-after-feds-roll-out-scholarship-tax-credit-regs/article_a40fccd0-6303-4799-af49-27103af906b9.html

Divisions remain after feds roll out scholarship tax credit regs

Healey wants more clarity, says her goal is to protect 'public education'

Ella Adams, Colin A. Young
Oct 2, 2026

STATE HOUSE, BOSTON, Oct. 1, 2026.....The U.S. Treasury Department released proposed regulations for a controversial federal scholarship tax credit program Thursday, but Gov. Maura Healey is still looking for more clarity.

Healey has for months faced calls urging her to either opt into or decline participation in the federal Education Freedom Tax Credit program, a new federal tax credit that people could claim for making donations to organizations that distribute K–12 education scholarships in states that opt in. The Healey administration repeatedly said it was waiting on guidance from the federal government before making a decision.

Asked Thursday for her "take" on the program, Healey said, "Well, you know, what I understand is that Treasury has released temporary regulations. I don't know what that means. So, you know, what I've said from the beginning is this, and I'll continue to say, we need to make sure that nothing harms public education."

The U.S. Treasury and Internal Revenue Service proposed regulations Thursday to implement the tax credit that allows eligible taxpayers to "claim an annual credit of up to $1,700 for qualifying contributions, or up to $3,400 for married couples filing jointly." The departments also issued "companion temporary regulations to establish key procedures for states and Scholarship Granting Organizations to prepare for the launch of the tax credit on January 1, 2027," they said in a release.

At least 27 states have signed up to participate in the federal scholarship tax credit program, which was created in last year's One Big Beautiful Bill Act. Lobbying for the Bay State's participation has come from Republican lawmakers and gubernatorial candidate Mike Minogue; the Pioneer Institute, a think tank that supports school choice policies; and from former Lt. Gov. Tim Murray and the Worcester Regional Chamber of Commerce, which he leads. Opposition has come from teachers' unions and, new this week, from the Massachusetts Association of School Superintendents.

"If I become governor, I'm going to opt into the federal scholarship tax credit. It will transform education and it's one of the number one reasons I'm running," Minogue said in an interview on "¿Qué Pasa Boston?" last month.

The Republican nominee for governor has said he and his wife helped develop the federal policy. Healey said Thursday that she still wants more guidance from the federal government.

"The vast majority of our kids in Massachusetts are educated in our public schools, and as governor, I want to make sure that funding for public education in our public schools continues and is not negatively impacted," Healey added. "We'll have to see what these regulations say, and also to get more clarity about what they mean by temporary."

American Federation of Teachers Massachusetts President Jessica Tang called Thursday for Healey "to formally and unequivocally opt-out of this scheme to maintain accountability and protect the Commonwealth’s standing in public education.”

Opponents of the program, like the liberal-leaning think tank Massachusetts Budget and Policy Center, say that the program would disproportionately benefit private schools and higher-income families and shift administrative resources away from public education. Supporters, like the Massachusetts Educational Opportunities Coalition, say the program could generate around $660 million annually for scholarships supporting private school tuition, tutoring, transportation, after-school programs and special education services.

The superintendents' association this week said the tax credit program "threatens to exacerbate disparities between public and private schools" because it "essentially creates a voucher system that incentivizes individual donors to fund private school scholarships in exchange for tax credits."

"At first blush, it could appear that public and private schools alike stand to gain from an influx of donations," Mary Bourque, the association's executive director, said. "But a closer read of the law affirms that the deck is heavily stacked against public schools. The services that students in public schools can receive through scholarship funds are far more limited and can only be provided to families who apply for the scholarships and can demonstrate income eligibility."

Ella Adams is a reporter for the State House News Service and State Affairs Pro Massachusetts. Reach her at ella.adams@statehousenews.com. Colin Young is the deputy editor for State House News Service and State Affairs Pro Massachusetts. Reach him at colin.young@statehousenews.com.

Ella Adams

Colin A. Young
Deputy Editor