



Which is Better for Your Family - ESAs or STOs?

According to the ESA statute ([A.R.S. 15-2402 \(B\)\(3\)](#)), a student cannot receive both Empowerment Scholarship Account (ESA) and School Tuition Organization (STO) funds for the same period. This means that students must choose between ESA or STO funding. When determining which option, ESA or STOs, is better for your family, several factors should be considered.

ESA	STOs
ESAs are funded by state tax dollars to provide education options for qualified Arizona students.	STOs are entities authorized to receive income tax credit contributions. These contributions are specifically designated to fund scholarships for students to attend qualified private schools in Arizona.
ESAs provide families with 90% of the state budget's funds per student for their student's education expenses.	STOs work by allowing AZ residents to donate and recommend specific schools or students as scholarship recipients. When AZ residents donate, they receive a state tax credit document. After filing taxes, they get a refund equal to their donation. Families can also directly apply for scholarships from STOs. However, parents can't recommend their own child for a scholarship when donating.
ESA is for any student in grades K-12, and parents can apply for an ESA at any time throughout the year.	To qualify for a scholarship from a STO, the student must be enrolled full-time in a private school.
ESAs can be used to pay for private school tuition, home education, tutors, curriculum, therapies, and more.	STOs fund scholarships for students to attend qualified private schools in Arizona.
The amount of funds that your student receives from ESA depends on multiple factors. To find out an approximate amount, check out this article from the AZ Department of Education.	The amount of scholarship funds you receive from a STO depends on several factors, including which STOs you apply to and your student's individual circumstances.

Ultimately, the decision between ESAs and STOs depends on your family's specific needs, preferences, and circumstances. If you value flexibility and direct funding for a variety of educational expenses, an ESA may be the better option. Alternatively, if you're seeking financial assistance only

for private school tuition and are willing to navigate the donation process, an STO scholarship could be more suitable.

If you have any questions or need assistance navigating this process, please don't hesitate to reach out to hello@loveyourschool.org! If you have more questions, we want to hear from you!

More Information

[Approximate Annual ESA Funding - AZ Department of Education](#)

[A Parent's Guide to Navigating Arizona's Expanded Empowerment Scholarship Accounts \(ESA\) Program - School Choice Week](#)

[The Ultimate Guide to ESA and STOs - PS Academy AZ](#)

[10 Common Questions About ACSTOs & ESAs - ACSTO](#)