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Merry Christmas and Happy New Year. Thanks for a Great Year!!!

Year end recap, and looking ahead to 2006.

2005 was a big year for Homeschoolers and their finances. HSFSA and our clients have made some major advancements with issues of compliance with State and Federal Tax Laws. In 2005 Michael Yates was able to meet multiple times and after much work secure Sales Tax Exemption Certificates for homeschoolers in the State of Tennessee. We have seen one of our clients save hundreds of dollars on one purchase of their curriculum. This is available for any co-op, support group, or similar organization to make many of their purchases tax free. Home Schoolers can save thousands of dollars across the State of Tennessee because of the ground work that Mr. Yates has laid. HSFSA also has made it possible for our clients to make curriculum purchases through Logos Bookstore tax free and at a bulk discount. HSFSA is still working with the Tennessee Department of Revenue, the IRS, and helping Homeschool Organizations in Tennessee, North Carolina, Nevada, Idaho, Hawaii, and Virginia. We are excited to be on the cutting edge of Home School Finance to assist Homeschoolers Nationally. Our goal is to help Home School Organizations with current organizational and Financial issues they are facing, and to help solve problems that will arise in the future as the homeschooling movement continues to grow.



Points of Interest

- 2005 - Great Year for Home School Finance, and Ground work for the Future
- The Changing Face of Homeschooling
- Helping your child have the Advantage
- HSFSA Re-files with IRS to gain Central Organization Status for Home School Groups Nation-wide

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The Changing Face of Homeschooling

Around 30 years ago Homeschooling experienced a rebirth. Instead of frontier families teaching their children because there was no other option in the early years of an infant country, now strong religious convection and the believe that a parent could teach their children better than the public school system was taking birth. Parents would teach their children in their own home. Many families in the early days did not even know other homeschoolers. My family became aware of other homeschoolers in TN because another family was threatened with being put in prison on truancy charges and they made the newspaper. As time went on support groups where formed. This helped with socialization, specific classes, sports, and other needs that families had. This lasted from the mid 80's to the mid 90's. During that time Co-ops/Tutorials began to form. They grew to the point that some kids attended classes four or five days a week and broke the model of the traditional homeschooler. Some Co-ops have grown to have hundreds of children in attendance on a weekly basis. Many of these co-ops have large dollar amounts running through their bank accounts. Some groups don't have bank accounts. Some don't have tax I.D. numbers. Some have individuals social security numbers on their groups bank account. This is a problem. Some of these issues are the reason that HSFSA was formed. Continued on page 2.

“Co-ops, Tutorials, and other groups are filling the needs that the Support Groups once did”

The Changing Face of Homeschooling

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Not only are the co-ops growing, but there are off shoot organizations that are building in numbers. There are every kind of sport teams, debate teams, bands, dance groups, orchestras, and any other organization that is needed. The future holds that Support Groups will no longer serve the needs of the individual family in the same manner. Co-ops, Tutorials, and other groups are filling the needs that the

Support Groups once did. Some leaders are asking if their Support Groups are even still needed. I believe they are, but their role has no doubt changed. Large events, and on going help to expanding organization within a region are very necessary.

Giving your child the advantage

Homeschooling today allows more opportunities than ever. Some families have already been taking advantage. Instead of homeschoolers not having good social skills and just being cooped up in their house all day, now more than ever the free schedule that homeschooling affords is giving the child the ability expand their horizons. They are able to do the same basic study of the public and private counterpart with one on one attention and pursue interest that they normally might not have the time to accomplish. One of the best ways I have seen for a homeschool parent to give their child the advantage in the academic realm is by encouraging their child take dual credit their junior and senior year of high school. Not only does this partially brake down fear barrier that is in the homeschooling child's mind of if they can make it at the college level, but it gives them to opportunity to graduate high school with up to a full year of College credit already under their belt. This lets the homeschool child inter College in a position of strength and confidence.

We live in a day in age where a College degree is necessary. There is a glass ceiling that is hard for anyone to brake through. For the homeschool it can be close to impossible. Not only does the homeschool child have to prove to everyone that he or she is normal socially, which is always a question, but that they are also intellectually proficient. I don't say this to discourage anyone from homeschooling, but I do know that you can give your child the advantage to overcome many of the obstacle that I have seen. A child that has been homeschooled but can say after highschool I graduated from Patrick Henry, Auburn, or a local Community College will have an advantage from their homeschooling peers in the work place. I believe that Homeschool parents should give their kids this one last boost for success after Schooling.

Additional Benefits with the your Tax Exemption Certificate

Some of our clients have told us that because they have their own Sales Tax Exemption Certificate they are now able to get an account for their group with Sam's Wholesale Club.

This account will save money on purchases at Sam's in addition to making the purchases tax free, saving even more.

If you are one of our clients and find additional ways that your Sales Tax Exempt Certificate helps your group, please let us know so that we can pass it on to our other clients.

IRS Re-Filing



IRS Central Organizational Status will help the Home Schooling movement take it's structuring to the next level.

HSFSA has re-filed with the IRS in an effort to gain 501c3 Central Organization, and Chapter/Affiliate status for our clients. Historically applications of this nature require 3 to 12 months for authorization.

We have been encouraged and remain optimistic that we will gain approval with the more recent and expanded application that we are currently working on for these services. When approved this will expand the services that MTHEA and THEA will be able to of-

fer support groups, home school co-ops, speech and debate groups, sports teams, etc.

A chapter of a Central Organization will have the ability to operate **as if they are a Non-Profit Organization**. There will be numerous benefits for each Chapter/Affiliate: saving money, proper handling of your group's finances, and availability for insurance coverage, are just a few.

Newsletter

Do you have any questions or topics that you would like to be addressed?

The purpose of our newsletter is to communicate resource. Keeping you updated with news of our information about financial topics of interest that expanding services to your group is another purpose of the newsletter.

will benefit, support, and strengthen your organization. We also have a major focus to assist your group's treasurer, as a training and information

If you have a topic that you would like to have discussed or to subscribe, e-mail it to: johnthornton@hsfsa.com - Subject - Newsletter

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CONTACT US WITH ANY
FINANCIAL QUESTIONS FOR
YOUR HOME SCHOOL GROUP

WE'RE ON THE WEB
WWW.HSFSA.COM

Closing Thought

Our goals at HSFSA are to benefit you, the home school community, by providing protection, support, motivation, training, and other financial services to home school groups.

HSFSA will provide the same services to home school organizations like yours, not only in Tennessee, but also across our nation. Offering our services to home schoolers all over America, providing financial advice and covering as well as saving home schoolers thousands of hard-earned dollars, is our goal!

Please remember that we invite feedback from you, our member groups. Be sure to let us know if you have any questions on the use of your Sales Tax Exempt Certificate. Don't forget that we'd like to hear how your S.T.E.C. is benefiting your group.

Finally, we'd appreciate your prayers for HSFSA as we move forward with our goal to protect and benefit home schoolers in Tennessee and across America. Thank you.

God Bless,



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