

ARE YOU READY FOR YOUR TAX DOLLARS TO WORK FOR YOU?

EITC BUSINESS GUIDELINES

Educational Tax Credit for Businesses

Redirect your business tax dollars to benefit your community.

FOLLOW 3 SIMPLE STEPS TO MAKE THIS HAPPEN:

1

Do you pay any of these PA taxes?

Corporations who qualify are those who pay one or all of the following taxes:

Corporate Net Income Tax

Capital Stock Franchise Tax

Band and Trust Company Shares Tax

Title Insurance Company Shares Tax

Insurance Premiums Tax

Mutual Thrift Institutions

Subchapter S Corps, Limited Partnerships and other pass through organizations (for example filing PA Forms 20S or 65)

This tax credit program will allow you to re-direct funds that you would normally pay to the state in PA business taxes to qualified scholarship funds like West-Mont Christian Academy's Financial Assistance Program.

2

Decide if you want to apply. The application is just a single page and very easy to complete.

3

Make West-Mont Christian Academy's Scholarship Organization (The Children's Fund) the recipient of your gift.

BUSINESS APPLICATION TIMELINE

May 15 – Business applicants who have fulfilled their 2-year commitment and wish to renew it.

May 15 – Businesses who are in the middle of their 2-year commitment.

July 1 – All newly applying businesses.



WANT TO FIND OUT MORE ABOUT THE EITC PROGRAM?

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Bringing God's Truth and Purpose
Into the Lives of Our Students

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Would you like
to make your
Christian School
more affordable?

EDUCATIONAL IMPROVEMENT

TAX CREDIT PROGRAM

Help West-Mont families
afford a Christ-centered
education and earn a tax
credit for your business.

Don't own a business?

Some individuals will also qualify!
See inside for more details.

EDUCATIONAL IMPROVEMENT TAX CREDIT (EITC) PROGRAM

Several years ago, Pennsylvania Legislature offered a great incentive to enable Pennsylvania businesses to support local educational advancement efforts.

This incentive is the EITC program.

This program enables businesses to help ensure that quality educational programs, such as those offered at West-Mont Christian Academy, will continue to be available to serve students and their **families who desire a Christian School education but cannot afford one.**

Enacted in May 2001, the EITC program provides Pennsylvania companies with a tax credit varying in amount (some up to 100%) for contributions to non-profit scholarship or educational improvement organizations. West-Mont Christian Academy's Tuition Assistance Scholarship program is such an organization. It also allows businesses to utilize this contribution as **a charitable gift on their federal taxes.** You can **change the life of a student** just by reallocating your tax dollars to our school community.

The process to receive the tax credit is simple.

Businesses send the Department of Community and Economic Development (DCED) an application for the tax credit, which is available on www.newpa.com. A business must complete and submit an EITC application annually with the DCED, which will determine whether the company qualifies for the tax credit. Tax credits cannot exceed the tax liability of a business for a given taxable year, and may not exceed \$750,000 annually per credit per business. Also, a tax credit must be applied in the taxable year the contribution is made.

Don't own a business?

Individuals can now contribute their PA Income Tax to an approved Special Purpose Entity (SPE), which can be earmarked for West-Mont. The SPE recommends a salary threshold of \$130,000 per year for individuals and approximately \$260,000 for families. Visit west-mont.org/spe for more information.

BUSINESSES OF ANY SIZE CAN TAKE PART IN EITC

Companies can apply to be a part of the tax credit at any time. The Department of Community and Economic Development (DCED) will approve corporations until the annual cap is reached. The administration of West-Mont Christian Academy is committed to helping local businesses take advantage of the tax credit program while simultaneously helping West-Mont Christian Academy students.

Eligibility: Companies authorized to transact business in Pennsylvania who are subject to one or more of the following taxes: Corporate Net Income Tax, Capital Stock Franchise Tax, Bank and Trust Company Shares Tax, Title Insurance Companies Shares Tax, Insurance Premiums Tax, Mutual Thrift Institution Tax or Personal Income Tax of S Corporation shareholders or Partnership members.

Tax Credit: While donations reduce your amount of taxable income, **tax credits reduce your actual tax bill dollar-for-dollar.** A one year K-12 commitment allows a business 75% credit against the taxes owed; however, a company that makes the same commitment for two consecutive years will be eligible for a 90% credit. Tax credits are utilized AFTER your tax liability is established and **eligible companies may take up to \$750,000 in tax credits per year.** This tax credit is even more (100%) for money given to the Early Education Tax Credit.

Terms: An approved company must provide proof of the contribution to the DCED within 90 days of the notification letter. Tax credits not used in the tax year the contribution was made may not be carried forward or carried back and are not transferable or refundable. **Remember that your donation must be made within 60 days of your application approval.**

Your tax credit donation makes Christian School more affordable and accessible for families!

MORE USEFUL THAN A STANDARD CHARITABLE DONATION

Below are some of the businesses that support our program:

J.P. Mascaro & Sons

Jiffy Lube

T&M Enterprises of PA Inc

United Healthcare Community Plan of PA

Victory Bank

WHERE TO APPLY:

Online at www.newpa.com or by mail: DCED Center for Business Financing, Tax Credit Division 4th Floor, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120. New business applications should be submitted on or soon after the first business day (July 1) of the state fiscal year. Approval is on a first-come-first-served basis.

