



Children's Tuition Fund

PENNSYLVANIA

You can direct your state income tax.

Have you heard of Pennsylvania's Educational Improvement Tax Credits?

In the past, only corporations could take advantage of these tax credits. But recently, the Pennsylvania legislature passed a bill that included a new means of employing this policy: pass-through entities.



A pass-through entity is a corporate vehicle in which donors come together to fund what's important to them. For instance, if a company is owned by three individuals, the company as a whole may decide against donating the amount of its state tax liability to private schools. However, utilizing a pass-through entity, one or two of the owners could donate their share of the company's state tax liability. The same would be true of partners in a law firm, accounting firm, etc.

Pass-through entities are the means by which individuals can easily become part of a corporate structure and take advantage of the Tax Credits program.

To help as many people as possible take advantage of these credits, Children's Tuition Fund of Pennsylvania has several pass-through entities in which you can take part. To participate, contact Catherine Long at 717-285-3022 or by email at Catherine_Long@acsi.org. Donations may range from a minimum of \$1,000 to a maximum of your state income tax liability.

Join now to aid children who need assistance in your area.

CHILDREN'S TUITION FUND

731 Chapel Hills Drive, Colorado Springs, CO 80920
www.childrenstuitionfund.org

Questions? Please call or email Catherine Long
Office: 717.285.3022, ext 1 • Catherine_Long@acsi.org



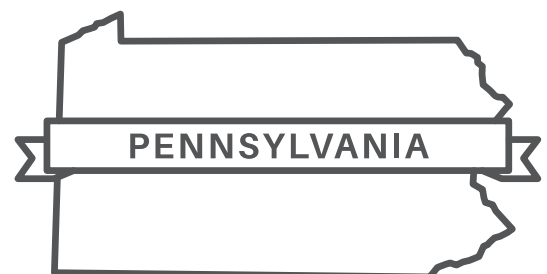
Did you know you can direct where to put
your state income tax?

Have you heard of Pennsylvania's
Educational Improvement Tax Credits?

These tax credits allow you to re-direct
your state tax liability to scholarships
for needy children.

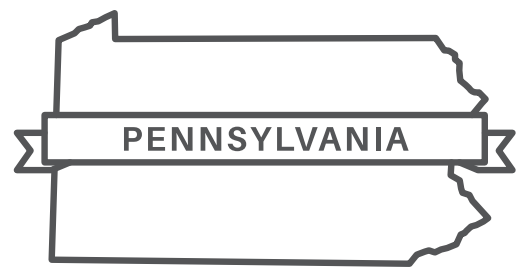
Visit childrenstuitionfund.org for more details

or call Catherine Long at 717-285-3022, ext 1.
Children's Tuition Fund
731 Chapel Hills Drive, Colorado Springs, CO 80920





Overview



Individuals who work for a business and have a Pennsylvania tax liability can now join a pass-through entity to take full advantage of the PA Educational Improvement Tax Credit (EITC) programs. These pass-through entities are created to direct EITC/OSTC (Opportunity Scholarship Tax Credit) funds to families of your school.

Start now to recruit your families, current contributors, and business community to join the pass-through entity Children's Tuition Fund of PA Scholarship Partners. Individuals that qualify and want to contribute to the EITC or OSTC programs may designate the school(s) that receive their funds.

Participating individuals will:

- Receive credits for their individual PA Taxes
- Receive 90% of their contribution in Tax Credits for a 2-Year Commitment
- Help your school succeed even more
- Become enthusiastic recruiters of other participants

Children's Tuition Fund of PA Scholarship Partners will be reapplying for a two-year commitment that will allow us to significantly increase our capacity to enroll new members or for current members to increase their involvement. To participate, individuals need to notify us.

Steps in the Process

Interested individuals become members of the pass-through entity by signing an operating agreement. The member will specify the school receiving the contribution, amount of contribution, date of agreement, address, and social security number.

Children's Tuition Fund of PA Scholarship Partners will re-apply to participate in the EITC program on May 15. The application will significantly expand this year and the Children's Tuition Fund wants your school community involved.

We will then wait to receive an acceptance letter from Pennsylvania's Department of Community and Economic Development (DCED) (usually in November). After receiving the acceptance letter, we will contact each member for their contribution. To receive this year's tax credit, contributors must give before January.

First-year steps

The pass-through LLC will inform DCED that it has transferred the amount of money for which it applied to the Children's Tuition Fund Scholarship Organization.

DCED will respond with a letter acknowledging that gift. The scholarship organization sends that letter to its CPA firm which creates K-1 forms for each member (which are to be filed with each member's state taxes).

Children's Tuition Fund informs school leaders of the funds available to be used in accordance with the EITC & OSTC guidelines.

Second-year steps

At the end of the second year the pass-through entity requests its members to send in their second-year contribution. Then the first-year process is repeated.

