

EITC Business Guidelines

Educational Tax Credit for Businesses

Redirect your business tax dollars to benefit the local community.

Follow 3 simple steps to make it happen:

Step 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

Bank and Trust Company Shares Tax

Title Insurance Company Shares Tax

Insurance Premiums Tax

Mutual Thrift Institutions

NEW! 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 Plumstead Christian School's Financial Assistance Program.

Step 2) Decide if you want to apply. The application is just a single page and very easy.



Want to find out more about our program?

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Plumstead Christian School does not discriminate on the basis of race, color, sex or age in the administration of its educational or admissions policies, financial assistance programs and athletic or other school-administered programs.

EDUCATIONAL IMPROVEMENT TAX CREDIT PROGRAM



Help local families afford a Plumstead Christian School education while earning a tax credit for your business.

Educational Improvement Tax Credit (EITC) Program

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

Enacted by the state legislature 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. Plumstead Christian School's Financial 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) a one-page application for the tax credit, which is available on our website. 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 \$300,000 annually per credit per business. Also, a tax credit must be applied in the taxable year the contribution is made.

Businesses of Any Size Can Take Part in EITC

Companies can apply to be a part of the tax credit at any time. The DCED will approve corporations until the annual cap is reached. Plumstead Christian School is committed to help local businesses take advantage of the tax credit program while simultaneously helping Plumstead Christian School 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 \$300,000 in tax credits per year. This tax credit if 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.

"For businesses, EITC is an attractive economic incentive for low-income families wanting to send their children to Plumstead Christian School".

-Matt Manz, owner of Knobs and Knockers

Below are some of the businesses that support our program:

Architectural Ironmongers

d/b/a Knobs and Knockers

Lahaska, PA

Brett King Builders

Delcrest Medical

Quakertown, PA

Ivyland, PA

Harleysville National Bank and Trust

Harleysville, PA

Lumberman Associates

Bristol, PA

Marvic Supply

Doylestown, PA

Stanley Cooper Plumbing

Willow Grove, PA

Zaveta Construction

Doylestown, PA

Where to apply:

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.