



EITC Guidelines

Contributing through the Educational Improvement Tax Credit (EITC) Program

Who Qualifies:

1. Tax Status Categories

Four main tax status groups: C Corp S Corp Partnership Sole Proprietorship

Limited Liability Company (LLC) is a sub-group that is required to file taxes under one of the first three categories above.

Partnerships and Sole Proprietorships are not eligible to participate in EITC, in most cases.

Businesses that are classified as C Corp, S Corp, or LLC (that file as C Corp or S Corp) should be eligible to participate in EITC.

2. Individual Taxes

State taxes that can be redirected through EITC are:

1. Capital Stock Tax
2. Corporate Net Income Tax

C Corp pays both taxes

S Corp pays only Capital Stock Tax

3. Noting the EITC Contribution on a Tax Form

The tax form completed by businesses filing as an S Corp or C Corp is called the RCT 101. The business will claim its EITC tax contribution on this form in Step D, Column C, under the title Restricted Credits.

4. Miscellaneous Notes About EITC Eligible Businesses

1. Many franchised businesses are eligible because they are usually incorporated (S Corp or C Corp) but they are owned individually.
2. Bank headquarters and branches are the same taxable entity, therefore an EITC contribution can be given by only one or the other, not both.
3. Although restaurants are often Sole Proprietors or Partnerships (both not eligible), a bar within a restaurant may be incorporated for liability reasons.

Step-by-Step Process:

1. Obtain the guidelines and application required by the Department of Community and Economic Development (DCED) to apply for tax credits. The guidelines and application can be obtained from:
 - The school to which your business would like to contribute
 - The Scholarship Partners Foundation
 - <http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=62>

The official registration and financial information of the Scholarship Partners Foundation may be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, 1-800-732-0999. Registration does not imply endorsement.
If a donation acknowledgement, no goods nor services were received by the donor in exchange for this contribution.

Diocese of Greensburg * 723 East Pittsburgh Street * Greensburg, PA 15601

2. Complete the EITC application for Scholarship Organizations (SO) located on page 5 of the guidelines and send to:
The Department of Community and Economic Development
The Educational Improvement Tax Credit Program
Center for Business Financing – Tax Credit Division
400 North Street, 4th Floor,
Commonwealth Keystone Building
Harrisburg, Pennsylvania 17120-0225

3. Your business will receive an approval letter granting tax credits from the DCED. Within 60 days of the date on your approval letter you must submit your contribution by check payable to "Scholarship Partners Foundation" at the following address:
Scholarship Partners Foundation
723 E. Pittsburgh Street
Greensburg, Pennsylvania 15601
If you wish to designate your contribution to a specific school or schools, please include either a cover letter requesting your designation or place the school name in the memo section of your check. If you choose not to designate your contribution, it will be used throughout the Catholic Schools of the Diocese of Greensburg, wherever the need is greatest.

4. The Scholarship Partners Foundation will respond within 30 days of the date of your contribution with an acknowledgement letter. The letter needs to be mailed, faxed, or emailed to the DCED within the 90 days of the date on your approval letter. Once the DCED has received this letter they will notify the Pennsylvania Department of Revenue that the contribution has been made so that your tax credits will be properly recorded and credited to your business.

5. (Optional) If your business chooses to make a two year commitment through EITC (reflected on your application in Step 2) you must submit the same application the following year, on or before July 1.

Important contact information:

Scholarship Partners Foundation
Joe Klocek, Director of Scholarship Partners Foundation
Phone: (724) 610-7336
Fax: (724) 552-1801
Email: jklocek@dioceseofgreensburg.org

The Department of Community and Economic Development
Phone: (717) 787-7120
Fax: (717) 772-3581
Email: tknorr@state.pa.us