

# Turn your tax dollars into student scholarships!

State program supports need-based scholarships to our Catholic schools!



Pennsylvania's updated Educational Improvement Tax Credit (EITC) program now allows individual taxpayers as well as businesses to support Catholic schools and in return receive PA tax credits.

**Over \$100 million in EITC tax credits are available this year.** However, these credits are quickly reserved by taxpayers across the state from Pittsburgh to Philadelphia. It is necessary to act quickly!

More than 33% of our students receive financial help from EITC support in our schools. The need across our 13 elementary schools and four independent high schools is significantly greater than funds available. EITC funds will be used for tuition assistance for eligible families seeking a Catholic education.

By committing to the EITC program, your tax dollars will create student scholarships. **It is truly a WIN/WIN program.**

## Here's how it works:

The expansion of EITC now includes Special Purpose Entities (SPE). Special purpose entities are available through the **Central PA Scholarship Fund**, established by Randy Tarpey, a CPA with offices in Tyrone, PA. Through this fund, there are **no administrative charges to our schools, and donor privacy is protected.**

Minimum contribution to participate in this plan is \$3,500 per taxpayer. This is approximately the amount of PA income tax that would be owed on \$100,000 of earned income, perhaps by a married couple who each earn \$50,000 and file their taxes jointly. Higher earning taxpayers may contribute more as they wish up to the amount of their PA tax liability.

Donors are encouraged to make a two year commitment to the program in order to receive a 90% tax credit. Those who join for one year will receive a PA Tax credit totaling 75%.

Many taxpayers may also claim a federal tax deduction for the full amount of their charitable contribution when they prepare their 2018 federal tax return.

The Central PA Scholarship Fund collects donor applications on behalf of all our schools and submits them to the PA Department of Community and Economic Development (DCED). The state then reviews all applications and issues letters of approval. You will have 60 days from the date of your approval letter to submit your contribution to the SPE.

Checks are written to the SPE designated by the Central Pennsylvania Scholarship Fund, and are mailed directly to the Central Pennsylvania Scholarship Fund in Tyrone. In early 2019, you will receive a K-1 Form for use when they prepare their 2018 tax returns.

**Paperwork for this program is very easy.** Download the simple application (Joinder). It asks for name, address and social security number, the amount you wish to contribute, and the school(s) you want to designate. **The form does not ask for income information or copies of tax returns.**

**Check out the FAQs for more detailed information.**

For more information, please contact Pam Seasoltz, Director of Stewardship and Development at 814.695.5577 or email [pseasoltz@dioceseaj.org](mailto:pseasoltz@dioceseaj.org)

**The information presented here is intended as a general overview of Pennsylvania's EITC program, and is not to be considered tax advice. Situations vary, and we urge donors to consult with their accountant or tax professional.**