

State Tax Credit Program Benefits Foundation

Don't Send Your PA Taxes to Harrisburg!

Keep Your Tax Dollars in Johnstown through the Educational Improvement Tax Credit (EITC) Program

Through the EITC program, businesses can receive significant tax credits for supporting their local schools! If you are a partner in a general or limited partnership or a shareholder in an S Corporation you may be eligible for tax credits that can be used against your PA Personal Income Tax. Businesses (C Corporations) that pay Corporate Net Income Tax, Capital Stock Franchise Tax, Bank and Trust Company Shares Tax or other approved state taxes may also be eligible credits against these PA taxes.

EITC is a win-win program and it's easy for businesses to participate. All you have to do is complete a one-page application and make a donation to the Greater Johnstown School District through the Community Foundation for the Alleghenies. Your business receives a generous tax break and GJSD will use your gift to provide extraordinary learning opportunities for our students.

Tax credits equal to 75% of its contribution up to a maximum of \$300,000 per taxable year; Can be increased to 90% of the contribution, if business agrees to provide same amount for two consecutive tax years; For contributions to Pre-Kindergarten Scholarship Organizations a business may receive a tax credit equal to 100% of the first \$10,000 contributed and up to 90% of the remaining amount contributed up to a maximum credit of \$150,000 annually.

Entities eligible to apply for EITC are businesses authorized to do business in the Commonwealth of Pennsylvania that are subject to 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, or Mutual Thrift Institutions Tax. For applications received on or after July 8 of the fiscal year or applications for year 2 of a 2 year commitment, businesses may elect to pass through tax credits to the Personal Income Tax of S Corporation Share holders, or partners in a general or limited partnership. To receive tax credits, businesses must be approved to make contributions to Educational Improvement Organizations that are on the list of such organizations published by the Department. For purposes of the EITC, a "contribution" from a business is a donation of cash, personal property or services the value of which is the net cost of the donation to the donor or the pro rata hourly wage, including benefits, of the individual performing the services. No tax credits shall be approved for activities that are part of the applicant business's normal course of business.

The instruction, programs or other activities offered by or through an innovative educational program may include, but are not limited to, any of the following characteristics:

- A. integration with the instructional program of the public school.
- B. supplements, reconstructs or involves a major revision to the curriculum or academic program of
The public school.
- C. provides a different focus, delivery, including internet-based and distance learning technologies,
Methodology or skill training than is provided in a typical academic program of a public school.
- D. offered separately from the public school curriculum or academic program.
- E. offered before or after public school hours, on weekends, as a year-round program and/or as an
Extension of the public school year.
- F. offered as a standards-based program of instruction that operates outside of the length and time
Requirements of the public school, but which meets the minimum hours or days of instruction
Required by state law.
- G. use of specialized instructional materials, instructors or instruction not provided by a public school.
- H. use of internships and other work-based learning opportunities for a student that supplements the
Curriculum or academic program of a student and provides a student with the opportunity to apply
The knowledge and skills learned in the academic program.
- I. offers instruction or programming that provides credits/advanced placement at a two-year or
Four-year College or university authorized by the Department of Education.
- J. reconfiguring, renovating or equipping a facility that is owned by a public school in order to create