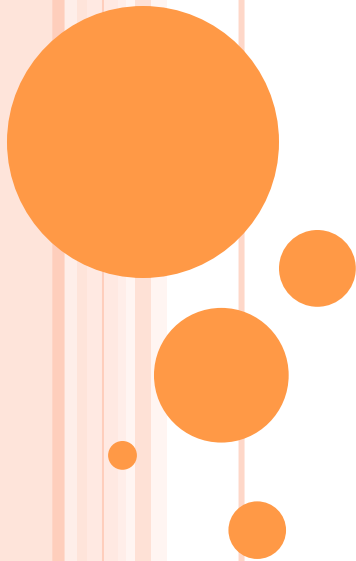
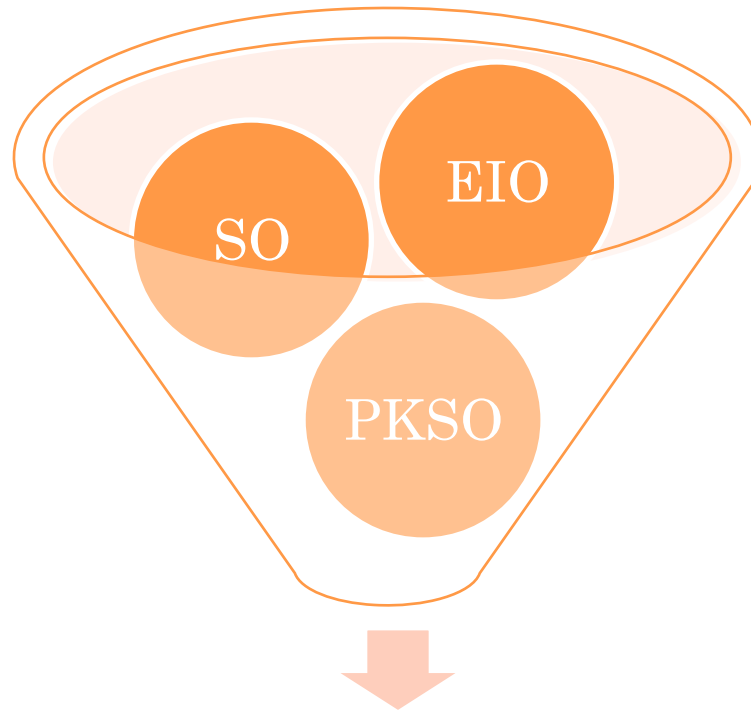


EDUCATIONAL IMPROVEMENT TAX CREDIT PROGRAM (EITC)



Matt Hertzog

EITC PROGRAM OVERVIEW



\$100 Million Budget

The EITC program was established into law in 2001 and since that time has grown from an initial budgeted amount of \$30 million



USES & FUNDING

- Tax credits may be applied against the tax liability of a business for the tax year in which the contribution was made
- Businesses contributing through the EITC program can earn upwards of a 90% tax credit on their contribution amount based upon the yearly commitment they make. A two-year commitment will earn a business a 90% tax credit based on their contribution amount while the one-year commitment earns the business a 75% tax credit based on their contribution amount.



ELIGIBILITY

Businesses authorized to do 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
- Insurance Company Law of 1921
- Personal Income Tax of S corporation shareholders or Partnership partners

* Includes pass-through entities

* Excludes sole proprietors



REV—1123

All participating pass-through entities must complete and return the PA Dept. of Revenue pass-through election form known as REV-1123 upon their credits being posted by DCED.

REV-1123 CT (05-12)



EDUCATIONAL IMPROVEMENT TAX CREDIT ELECTION FORM

GO TO INSTRUCTION PAGE

See Page 3 for instructions.

Irrevocable election to pass Educational Improvement Tax Credit (EITC) through to shareholders, members or partners. A separate election must be submitted for each year an EITC is awarded and not used in whole or in part by the contributing entity. DO NOT INCLUDE THIS ELECTION WITH YOUR TAX REPORT.

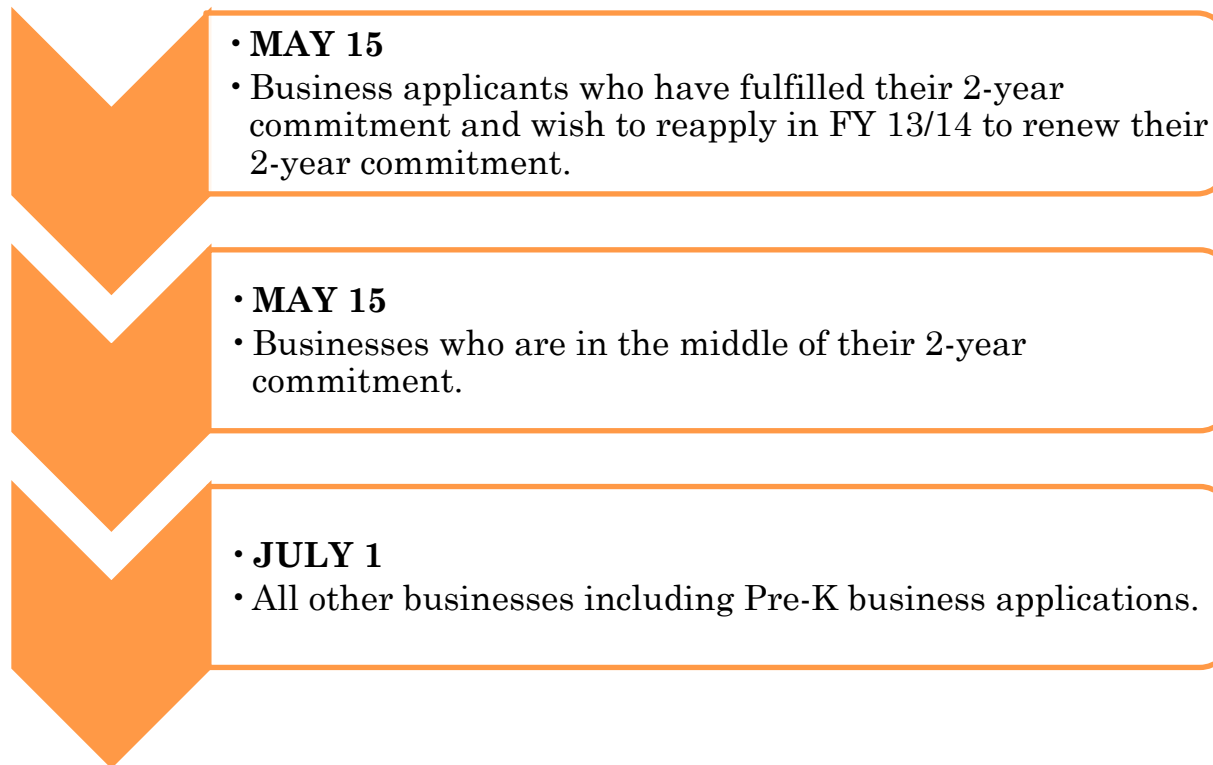
SECTION I

Pass-Through Entity Name:		Date Received: Department Use Only
<input type="text"/>		<input type="text"/> MMDDYYYY
Address:		Phone Number:
<input type="text"/>		<input type="text"/>
Fax Number:	Email Address:	Identification Number (Revenue ID, FEIN, SSN):
<input type="text"/>	<input type="text"/>	<input type="text"/>
(1) Total EITC awarded in tax year <input type="text"/> available for pass through:		
		Contribution Date:
		Amount:
		\$ <input type="text"/>
		\$ <input type="text"/>



HOW TO APPLY?

- Applications for the EITC program are accepted on a first come first served basis by date received...



* **NEW**—Pass-through entities, such as S-Corporations, Partnerships, LLs, etc., can now apply the same day as C-Corporations. They no longer need to wait until July 8th to apply.



ALL APPLICATIONS ARE ONLINE!

- Applications must be submitted electronically using DCED's [Single Application for Assistance](#).

www.newpa.com/eitc

- A hard copy signature page must be printed from the online application, signed and submitted to the Department within **15 days** of application submission in order to be considered for tax credits.



ONCE APPROVED

- Businesses make their contributions directly to the approved organization (s) of their choosing. All contributions must be made within 60 days of the date of their approval letter.
- Businesses then have an additional 30 days to supply DCED with proof of their contribution in the form of a formal receipt letter which will be provided to the business via the recipient non-profit organization. A copy of that letter must be forwarded to DCED.



QUESTIONS

All tax credit related questions can be directed back to our office at (717)787-7120 or via e-mail to ra-eitc@pa.gov

Business Community Local Government Funding & Programs

What are you looking for?



You Are Here: [Home](#) > [Find Incentives & Apply for Funding](#) > [Funding & Program Finder](#) > Educational Improvement Tax Credit Program (EITC)

Educational Improvement Tax Credit Program (EITC)

Overview

Tax credits to eligible businesses contributing to a Scholarship Organization, an Educational Improvement Organization, and/or a Pre-Kindergarten Scholarship Organization.

Business Application Timeline

- **May 15** – Business applicants who have fulfilled their 2-year commitment and wish to reapply in FY 13/14 to renew their 2-year commitment.
- **May 15** – Businesses who are in the middle of their 2-year commitment.
- **July 1** – All other businesses including Pre-K business applications.

Pass-through entities, such as S-Corporations, Partnerships, LLLCs, etc., can now apply the same day as C-Corporations. Applications must be submitted electronically using DCED's [Single Application for Assistance](#). Paper business applications will no longer be accepted. See the business application guide in the box above.

Businesses

[EITC Guidelines](#)

[Business Application Guide](#)

How To Apply

After downloading and reading a program's guideline, you can apply for most programs through the Single Application.

[Apply](#)

Quick Links

[Opportunity Scholarship Tax Credit Program](#)

[Learn More About OSTC](#)

Act 32

[Earned income tax information](#)

[EIT Rates & PSD Codes](#)

[Find the rates and codes](#)

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