



MAKE YOUR PA STATE TAX DOLLARS WORK FOR SACRED HEART SCHOOL!

EITC and OSTC are great ways to support SHS. Instead of paying your tax dollars to the Commonwealth of Pennsylvania, the program allows businesses to give the money to SHS instead through The Eastern Pennsylvania Scholarship Foundation, Diocese of Allentown, where you know it will be used to support our financial aid program.

Sounds too good to be true? It isn't! With both of these programs, a business can receive a **75% state tax credit or a 90% state tax credit**. In addition, business owners can claim a charitable deduction for the difference between the tax credit amount and the gift. For example, if you donate \$5,000 to SHS each year for two years, you receive a tax credit of \$4,500 per year, plus the ability to claim \$500 as a charitable deduction. You can donate any amount up to \$750,000.

[The Educational Improvement Tax Credit program \(EITC\)](#) allows qualified businesses to fulfill their state tax burden while supporting financial aid at SHS. The [Opportunity Scholarship Tax Credit program \(OSTC\)](#) allows qualified businesses to fulfill their state tax burden while supporting low-income students who reside in low-achieving school districts in Pennsylvania. EITC supports the SHS financial aid budget; OSTC supports a specific child in need of resources to attend SHS.

IS MY BUSINESS ELIGIBLE?

If your business is authorized to operate in Pennsylvania and pays one of the following taxes, you can register to be eligible for the Pennsylvania Educational Improvement Tax Credit Program (EITC) and the Pennsylvania Opportunity Tax Credit (OSTC).

Personal Income Tax
Capital Stock/Foreign Franchise Tax
Corporate Net Income Tax
Bank Shares Tax
Title Insurance & Trust Company Shares Tax
Insurance Premium Tax (excluding surplus lines, unauthorized, domestic/foreign marine)
Mutual Thrift Tax
Malt Beverage Tax
Retaliatory Fees under section 212 of the Insurance Company Law of 1921

HOW CAN MY BUSINESS APPLY?

EITC

The one-page application is now available on-line from the Pennsylvania Department of Community and Economic Development at www.newPA.com/EITC. The website provides further information on the program as well as the application form (EITC Business Guidelines). Additionally, you can call the Department of Community and Economic Development at (717) 787-7120 for a copy of the application.

OSTC

Pennsylvania businesses can begin applying for Opportunity Scholarship Tax Credits through DCED's electronic single application system, [found here](#). The business application guide explains the process of applying. Tax credit applications will be processed on a first-come, first-served basis by day submitted. All applications received on a specific day will be processed on a random basis before moving on to the next day's applications. Applications will be approved until the amount of available tax credits is exhausted.

[TO HAVE EPSF SUBMIT YOUR EITC OR OSTC APPLICATION PLEASE COMPLETE THIS FORM](#)

OR

For step by step directions on how to complete the online application, go to

www.allentowndiocese.org/giving and scroll down to Eastern Pennsylvania Scholarship Foundation (EPSF). For a one on one walk through of the online application, call Janis Geist at 610-866-0581 ext. 3044.

WHAT IS THE EITC?

The Educational Improvement Tax Credit (EITC) provides companies with a 75% tax credit for donations to a non-profit scholarship or educational improvement organization. The tax credit increases to 90% if the company commits to making the same donations for two consecutive years. A business paying taxes in Pennsylvania can receive up to \$750,000 in tax credits annually. EITC provides low-income children and families, who reside in Berks County, with much needed tuition assistance. Help to make a Sacred Heart education possible for more Reading families!

WHAT IS THE OSTC?

Modeled after the popular EITC program, the Opportunity Scholarship Tax Credit (OSTC) program provides financial aid support to children who live within the attendance boundaries of Pennsylvania's worst performing 15% of schools. Unfortunately, most of The Reading School District is within that 15%. Just like the EITC program, the OSTC program awards Pennsylvania businesses a tax credit of 75% if the gift is made for one year or 90% if the company commits to making the same donations for two consecutive years. OSTC funds are available in addition to any credits received under the EITC program. If you qualify for EITC, you also qualify for OSTC. Sacred Heart School is an approved scholarship organization for OSTC.

WHAT ARE THE EASTERN PENNSYLVANIA SCHOLARSHIP FOUNDATION GUIDELINES?

100% of the scholarship donations collected are distributed in scholarships. Qualification for scholarships is based solely on income criteria established by law. Individual schools determine the scholarship amount for each student. Oversight and compliance to Act 4 & Act 85 is determined and provided by EPSF.

WHO DO I CONTACT WITH QUESTIONS?

At Sacred Heart School, contact Beth Gasperack at 610-685-2347 or bgasperack@sacredheartreading.org. At the Diocese of Allentown, contact Janis Geist, Catholic School Scholarship Administrator, Office of Education at (610) 866-0581, Ext. 3044 or jgeist@allentowndiocese.org

At the Department of Community and Economic Development (DCED), call (717) 787-7120 or find more information online at newpa.com.

IMPORTANT ADDITIONAL INFORMATION

Once a business is eligible and receives an approval letter from DCED, the business has sixty (60) days to make its contribution to The Eastern Pennsylvania Scholarship Foundation (The Diocese of Allentown) PO Box F, Allentown, PA 18105-1538. To restrict your funds to Sacred Heart School, add Sacred Heart West Reading in the memo line of your check. An approved company must provide proof to DCED within 90 days of the notification letter that the contribution was made within 60 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 is not refundable or transferable.