



PA Educational Tax Business Steps

Pennsylvania businesses can participate in either the Educational Improvement Tax Credit (EITC) or the Opportunity Scholarship Tax Credit (OSTC) and receive up to a 90% tax credit for an approved donation to a scholarship organization (maximum \$750,000 per taxable year). For Pre-K contributions, a business may receive a tax credit equal to 100% for the first \$10,000 contributed and 90% of the remaining amount contributed (maximum of \$200,000 annually).

7 Steps To Receive Your Tax Credits

1. CHOOSE PROGRAM

Review materials concerning:

- EITC (K–12)
- OSTC (K–12) for student residing within the boundaries of the low-performing schools.
- PKTC (Children 3 and older in a pre-kindergarten program)

2. COMPLETE APPLICATION

Complete the online application*. New applicants must apply on July 1st. To apply visit <https://dced.pa.gov/how-to-apply/>.

Returning businesses at the middle or end of a two-year commitment must apply on May 15.

*CTF can submit an on-line application on behalf of a business

3. SUBMIT FORM

Send Business Communications Form to CTF upon submission of online application.

4. APPLICATION APPROVAL

The Department of Community and Economic Development (DCEC) will begin approving applications **July 1**.

5. CONTRIBUTE TO CTF

If approved for tax credit, the business must make the contribution to CTF within 60 days of written notification from DCED. Funds may be designated to a single school or divided between schools.

6. FORWARD RECEIPT TO DCED

CTF will send a receipt of funds to you and inform the designated school(s) of your contribution. This receipt must be forwarded to DCED within 90 days of the date of the approval letter.

7. RECEIVE TAX CREDIT

Upon receipt of proof of contribution, the DCED will notify the Department of Revenue to apply the tax credit against the appropriate taxes identified by the business firm in its application.