

Children's Tuition Fund EITC/OSTC—FAQ's

Is my company eligible to apply for Education Improvement Tax Credits?

Your company is eligible to apply for EITC credits if the company pays any of the following PA taxes:

- Corporate net income tax
- Mutual thrift institution tax
- Title insurance companies shares tax
- Title insurance premium tax
- Malt Beverage Tax
- Bank and Trust company shares tax
- Subchapter S-corporations and other "pass-through" business entities

How much is the EITC credit?

If approved by DCED, a 90% tax credit is awarded to businesses committing for two years of participation/contribution. A 75% tax credit is approved for one year commitments.

Are donations made to the Children's Tuition Fund also deductible on Federal taxes?

Yes, the Children's Tuition Fund is a 501 (c)3 tax-exempt organization and is eligible for charitable deductions on a businesses federal tax return.

How can a business contribute?

1. Non-designated donations –

EITC/OSTC contributions may be donated to CTF General Fund. These contributions are used to provide financial need-based tuition assistance to **all** eligible applicants from PA member schools.

2. Designated contributions –

EITC/OSTC contributions may be donated with a designation for a CTF approved Christian school. These dollars are passed on to the designated Christian school for the sole purpose of tuition assistance. *As allowed under each state program, funds may be redistributed to other schools if funds are going to expire or cannot be used by the school designated to.*

What percentage of the contribution is retained by CTF?

Only 5% of contributions is retained for administrative expenses associated with the ACSI CTF program.

How does my company apply for the Tax Credit?

Application for Education Improvement Tax Credits at www.newpa.com\EITC

Application for Opportunity Scholarship Tax Credit at www.newpa.com\OSTC

When should my company apply?

First year business applications are to apply on beginning July 1 of each year. Credits are very competitive, awarded on a first come basis, and making it necessary to apply **on July 1**.

Second year renewal applications and any business that is coming out of a two year EITC/OSTC commitment, are to apply between May 15th – June 30th.

Who do I contact with questions regarding making a donation?

Contact the CTF Specialist at Phone: 717.285.3022 Email: CTF_PA@acsi.org