



## Corporate EITC/OSTC Pennsylvania Tax Credits

**EITC** (Educational Improvement Tax Credit) and **OSTC** (Opportunity Scholarship Tax Credit) are state programs that allow your business to redirect tax dollars to the Prep in support of academic scholarships for underserved students. **Please note: The Prep's Scholarship Organization title for EITC is PJHS Scholarship Organization (Pennsylvania Jesuit High Schools)**

Any C-Corporations or pass-through entities such as S-Corporations, Partnerships, LLCs, etc., that pay the following Pennsylvania state taxes are eligible to apply for both the EITC and OSTC programs:

- 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

## The Benefit to You

If approved, 90% of your contribution to the Prep will post as a tax credit for your business if you agree to a two year commitment to the program (if committed for one year, the credit is 75%). Furthermore, the 10% (or 25% with one year commitment) that is not included in the tax credit may be claimed as a charitable donation on your federal tax return.

## How to Apply:

New EITC/OSTC applications may be filed online beginning July 1, 2020. Please complete the enclosed one page application questionnaire, and the Prep development team will enter your company's application on your behalf on July 1st. For companies renewing a current EITC contribution, please complete the questionnaire and the Prep will submit the renewal application on your behalf when the renewal application period opens on May 15, 2020.

Pennsylvania EITC informational webpage: [www.newpa.com/eitc](http://www.newpa.com/eitc)

For more information, contact:

Patti Killeen

Director of Donor Relations

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## SCHOLARSHIP NEED AT THE PREP

### THE NUMBERS...

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- 53% of Prep students receive some form of financial aid
  - 130 Prep families live in areas with underperforming schools and could qualify for OSTC scholarships
  - The Prep's demonstrated need among enrolled students receiving financial aid is \$5.1 million
  - Your participation in the EITC and OSTC programs could help bridge the gap in scholarships and financial aid
  - The Prep serves 20% students of color
  - 23% of students reside in Philadelphia
  - 52% of Prep families have earned income under the PA EITC/OSTC threshold (the State average is 53%).
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We believe that the EITC and OSTC programs will help eliminate the gap in need and funds at the Prep, and ensure that no worthy student misses out on a Prep education for reasons of affordability. We need your support to accomplish this goal. Thanks in advance for your participation.

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