



## The PA EITC Program Now Allows Individuals To Participate In Tax Credit Incentives

Individuals and PA businesses that are eligible may give to eligible organizations and receive PA state tax credits up to 90% of their charitable donation with a two year commitment. (75% tax credit with a one year commitment.)

College Settlement is an Educational Improvement Organization (EIO) approved by the Commonwealth of Pennsylvania's Department of Community and Economic Development (DCED) and as such is authorized to receive donations through the EITC Program.

EITC now allows Individuals to give through a Special Purpose pass-through entity (SPE) that allows for the use of credits on personal income tax returns.

## Interested? Want to Take The Next Step?

### Contact us

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For more information about College  
Settlement and the Outdoor School in  
Horsham please visit us online at

[www.collegesettlement.org](http://www.collegesettlement.org)

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## Make A Gift To Help Children Learn About Nature and Help Yourself As Well



**Partner With College  
Settlement to support  
the Outdoor School In  
Horsham**

## Partnering For Our Children

- College Settlement is associating with an SPE affiliated with the Central Pennsylvania Scholarship Fund (CPSF) (Federal EIN 45-4423429) to apply for Education Tax Credits
- The Central PA Scholarship fund was established 9/13/2011 to facilitate the matching of donors with qualified educational organizations. The organization is managed by Randy Tarpey, CPA. Randy is a practicing CPA with several offices in PA.
- All services are donated by the CPSF. As such, 100% of the donation will go towards College Settlement if directed by you.
- Go to [www.pennsylvaniaeitc.org/contact-us.html](http://www.pennsylvaniaeitc.org/contact-us.html) for a partial listing of organizations funded by the Central Pennsylvania Scholarship Fund Through 2017.
- Funds donated this way will help schools send their children to The Outdoor School Program. A donation to College Settlement through CPSF can be used to pay for students from any school to attend, though you may specify a school if you wish.

## The Opportunity

- The Central Pennsylvania Scholarship Fund through their SPE *Bulldog Pride, LLC*, (although this may change depending in the availability of the EIO tax credits) can receive your donation and College Settlement will receive 100% if so directed by you.
- *By taking part in this initiative and making a commitment for two years you will receive a 90% PA state tax credit.*
- This means your donation, under a two-year commitment, will cost you no more than 10% of what you are giving to College settlement

### Qualifications for Participation in the SPE

- *Minimal annual donation must be \$3,500 (which after the tax credit will cost you less than \$350 annually for a two-year commitment).*
- Donors, and members of the SPE, *must be shareholders, partners, members or employees of one or more Business Firms.* A Business Firm is any for-profit business authorized to do business in Pennsylvania. (As an example, owning one share of Comcast would qualify.) The definition of business firm does not include sole proprietorships (unless organized as an LLC) or entities not subject to tax.

## How to Participate

- Donors wishing to participate in the program should *complete a Joinder* whereby they become members of the SPE. (Joinder and LLC Member Agreement at <https://collegesettlement.org/wp-content/uploads/2018/08/Final-EITC-Links-1.pdf>). The completed Joinder should be sent to Susan Daily.
- The Joinder permits the donor to *designate College Settlement* as the organization to benefit from their donation.
- Joinders received by College Settlement *will be transmitted on January 2, 2019* to CPSF as the available EIO credits are on a first come basis. The SPE *applies for the credits* in May 2019. It is a *priority filer* as a current participant
- The SPE *notifies the donors of the credits awarded and the donor transfers the funds to the SPE within 30 days. If the credits are not received, the donor does not need to fund the donation.*
- The SPE *provides Federal and State K-1's to the donors* which are used to claim the federal charitable donation deduction and PA tax credit on their respective Federal and Pennsylvania tax filings.



# College Settlement

## The Outdoor School Program

In the fall of 1973 College Settlement's Outdoor School was created to provide a residential environmental education experience for schools and groups. That program has diversified into several popular field trip experiences that include one, two, or three or even five day programs. We run programs for elementary, middle and high school students, but also have several programs for boy and girl scouts, sports teams, adult and youth groups.

We work with many schools that start as a day trip group then move on to our three day program. Many students then sign up with us for programs held over the summer. Currently we work with about 35 schools – many public, several independent and several charter schools. Our seasons run from early March through May, and again early September through Thanksgiving.

Our three part program has many options for scheduling, activity choice and areas of focus. This enables us to custom fit a program specifically for each school. Our programs are kid-centered, paced at a rate that enables kids to build relationships with classmates, and spend quality time exploring the natural ecology of the area. Overnight trips have that intangible magic that makes them the highlight of many students' elementary and middle school years. We work with students from all sorts of backgrounds, and our programs are intentionally designed to foster inclusion. Plus our program is designated an Educational Improvement Program by the state of PA and is eligible for EITC. See below....



## GREAT OPPORTUNITY!--How You Can Help

### Educational Improvement Tax Credit Program (EITC)

**INDIVIDUALS:** Qualifying individuals can receive tax credits equal to 75 percent of their contribution with a minimum of \$3,500 per year. The credits can be increased to 90 percent of the contribution, if the individual agrees to provide the same amount for two consecutive tax years. Page 2-3

For more information, talk with our Director of Development, Susan Daily, at 267-470-4831 or [susan@collegesettlement.org](mailto:susan@collegesettlement.org)

**CORPORATIONS:** Qualifying companies can receive tax credits equal to 75 percent of their contribution up to a maximum of \$750,000 per taxable year. This can be increased to 90 percent of the contribution, if the business agrees to provide the same amount for two consecutive tax years. Page 4

# EITC for Individuals

## Make A Gift To Help Children Learn About Nature... and Get a Tax Credit for Yourself!

### The PA EITC Program Now Allows Individuals To Participate In Tax Credit Incentives

PA individuals that are eligible may give to eligible organizations and receive PA state tax credits up to 90% of their charitable donation with a two-year commitment (75% for a one-year commitment).

College Settlement is an Educational Improvement Organization (EIO) approved by the Commonwealth of Pennsylvania's Department of Community and Economic Development (DCED) and as such is authorized to receive donations through the EITC Program.

EITC now allows Individuals to give through a Special Purpose pass-through entity (SPE) that allows for the use of credits on joint personal income tax returns.

**DOWNLOAD THE TWO FORMS** that you will need:

- [Joinder Form](#)
- [LLC Form](#)

### Partnering for Our Children

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- The Central PA Scholarship fund was established 9/13/2011 to facilitate the matching of donors with qualified educational organizations. The organization is managed by Randy Tarpey, CPA. Randy is a practicing CPA with several offices in PA.
- All services are donated by the CPSF. Therefore, 100% of the donation will go towards College Settlement.
- Go to [www.pennsylvaniaeitc.org/contact-us.html](http://www.pennsylvaniaeitc.org/contact-us.html) for a partial listing of organizations funded by the Central Pennsylvania Scholarship Fund Through 2017.
- These funds help schools send their children. A donation to College Settlement through CPSF can be used to pay for students from any school to attend. You may specify a school if you wish.

### The Opportunity

- The Central Pennsylvania Scholarship Fund through their SPE Bulldog Pride, LLC, (although this may change depending in the availability of the EIO tax credits) can receive your donation and College Settlement will receive 100% of it, if so directed by you.
- By taking part in this initiative and making a commitment for two years you will receive a 90% PA state tax credit.
- This means your donation will cost no more than 10% of what you are giving to College settlement.

### Qualifications for Participation in the SPE

- Minimal annual donation must be \$3,500 (which after the tax credit will cost you less than \$350 annually for a two-year commitment).
- Donors, and members of the SPE, must be shareholders, partners, members or employees of one or more Business Firms. A Business Firm is any for-profit business authorized to do business in Pennsylvania... as an example, owning one share of Comcast stock would qualify you. The definition of business firm does not include sole proprietorships (unless organized as an LLC) or entities not subject to tax.

### How to Participate

- Donors wishing to participate in the program should complete a Joinder whereby they become members of the SPE. (Joinder and LLC Member Agreement is available at [www.collegesettlement.org/joinder.html](http://www.collegesettlement.org/joinder.html). The completed Joinder should be sent to Susan Daily at College Settlement.
- Joinders will be submitted to the Central Pennsylvania Scholarship Fund as early as possible in 2019 as the available EIO credits are on a first come basis.

- The SPE applies for the credits in May 2019. It is a priority filer as it is a current participant in the program.
- The SPE receives notification of the credits that it has been awarded, typically in the fall.
- The SPE notifies the donors of the credits awarded and the donor transfers the funds to the SPE within 30 days. If the SPE does not receive the credits, the donors will not need to fund the donation.

EITC tax credits are available to offset the following Pennsylvania State 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
- Personal Income Tax of Partners/Members

## Interested? Want to Take The Next Step?

Contact us:

- **Susan Daily**, *Director of Development*, College Settlement  
[susan@collegesettlement.org](mailto:susan@collegesettlement.org) 267-470-4831
- **Rob Kutzik**, *Executive Director*, College Settlement  
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- **Teri Ohliger**, *President, Board of Trustees*, College Settlement  
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*Disclosure: Any advice contained herein (including any accompanying downloaded documents unless expressly stated otherwise) is not intended or written to be used, and cannot be used, (i) for purposes of avoiding tax penalties that may be imposed on any taxpayer or (ii) for purposes of promoting, marketing or recommending to another party any tax transaction or matter addressed herein.*

# EITC for Corporations

## Give A Learning Experience At College Settlement's Outdoor School And Receive A State Tax Credit This Year!

Dear Corporate Business Owner or Employee:

### **Is your business, or the business you work for, currently registered with the PA EITC program?**

If your employer participates in the program, we encourage you to request that your employer consider College Settlement to receive part of their annual donations. If a business that you own participates in the program we encourage your business to consider College Settlement to receive part of your business's annual donations. Requests for EITC tax credits must be submitted by May 15. We add significant value to the teachers, students and school districts we serve. We are actively engaged in the education of children, teens and special needs students utilizing hands-on curriculum in the areas of environmental science (STEM), sustainability, nutrition, personal health, personal development and team skill building through camping and outdoors experiences. We are an Educational Improvement Organization (EIO) registered with the PA Educational Improvement Tax Credit (EITC) program.

**A business making donations under the program can receive State tax credits from 75 to 90% of its charitable donation.** Donations under the program to College Settlement would support our exciting educational work with children from school districts in Philadelphia and Montgomery County, in programs of one, three, or more days at our Camps at Horsham. This year we welcomed teachers and students from Title I Free and Reduced lunch schools who could only come because of the generosity of companies like Hatboro Federal Savings, Softerware, and BB&T Bank.

**What are Educational Improvement Tax Credits?** This program was created to provide an incentive for charitable giving by PA businesses to benefit innovative community education programs. This is actually a low-cost gift because the business is redirecting a portion of its Pennsylvania state business taxes to the participating EIO of your choice. A one-year commitment qualifies for a state tax credit of 75% of the contribution. A two-year commitment qualifies for a tax credit of 90%. This donation can also be claimed as a charitable contribution for federal tax purposes subject to certain limitations.

Tax credits under the program are limited to Pennsylvania state taxes in the year of donation and cannot be carried forward. You should consult with a tax advisor before your business makes a donation under the program.

**EITC tax credits are available to offset the following Pennsylvania State 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
- Personal Income Tax of Partners/Members

**We look forward to speaking with you.**

### **Please contact:**

- Executive Director **Rob Kutzik**: [rkutzik@collegesettlement.org](mailto:rkutzik@collegesettlement.org) or 215-542-7880
- Director of development **Susan Daily**: [sdaily@collegesettlement.org](mailto:sdaily@collegesettlement.org) or 267-470-4831