

AN EDUCATION IMPROVEMENT TAX CREDIT (EITC) SCHOLARSHIP PROGRAM

#### **Program Overview**

PA's EITC Scholarship Program allows an individual (or Business) to redirect their tax dollars to support the Pittsburgh Catholic Schools Scholarship Program instead of those tax dollars going to the state. Those tax dollars are turned into scholarships for eligible Catholic school students right here in our Pittsburgh area.

PA's tax-credit scholarship program provides a 90% tax credit to taxpayers who make a donation to our EITC Scholarship Program. For every dollar you contribute, you earn \$0.90 back in a tax credit. The remaining 10% may be deductible as a charitable contribution for federal tax purposes.

The EITC Scholarship Program is instrumental in providing scholarships to Catholic school families within the Diocese of Pittsburgh.

#### Participation as an Individual or Business is easy!

The Catholic Diocese of Pittsburgh is looking to grow its EITC participation rates. Anyone with PA tax liability and is interested in supporting Catholic education can participate with a two-year commitment. You do not need to have a child or grandchild enrolled in a Catholic School to participate.

For anyone who earns a paycheck, the first step is easy. Simply, determine how much you typically pay in PA State taxes. This can be found on your state tax return or by multiplying your household income by 0.0307 (estimated PA tax liability). If your income is over \$70,000 annually, you should be eligible to donate to the EITC Scholarship Program.

Next, sign an initial pledge form with the Diocese of Pittsburgh and include the amount you want to pledge (\$2,000 minimum). Once credits have been awarded, you will receive a formal Agreement via DocuSign. Please complete and send donation within 60 days of receipt. Early the following year, you will receive a K-1 receipt for the contribution. Submit the K-1 receipt with your tax return, and you will receive 90% of the donation back as a tax refund – just in time for the second year!

Pennsylvania businesses, including those that are C-Corps, S-Corps, LLCs and Partnerships are also eligible to participate in the EITC Program.

#### Participating is as easy as 1-2-3!

# Step 1 Sign Up / Pledge

Determine your current year PA State Income tax liability.

Complete the Pledge Form with intended contribution amount.

## Step 2 DocuSign & Donate

Once the tax credit is approved for the Diocese, receive & complete DocuSign, and send donation within 60 days.

### Step 3 Claim your Credit

After your contribution is made, you will receive a K-1 receipt to file with your taxes, providing you with a 90% tax refund on the contribution you made.

