Mount Aloysius College

EDUCATIONAL IMPROVEMENT TAX CREDITS (EITC)

at Mount Aloysius College an EIO Qualified Program

EITC AT THE MOUNT

Pennsylvania provides tax credits for corporate contributions to Educational Improvement Organizations (nonprofits that support innovative programs in area schools through the Department of Community and Economic Development (DCED). Mount Aloysius College (MAC) meets this need through our College in High School Program (Dual Enrollment) which allows high school students to receive college credit for applicable rigorous high school coursework.

For more information on the College in High School Program and for a list of College in High School Partnerships, please visit links below:

COLLEGE IN HIGH SCHOOL PROGRAM

COLLEGE IN HIGH SCHOOL PARTNERSHIPS

BUSINESS APPLICATION FOR EITC

WHAT DOES EITC MEAN TO YOUR BUSINESS?

Tax Credits are worth 75% of the contribution; however, a 90% credit can be claimed if the corporation commits to two consecutive annual contributions. The maximum tax credit is $750,000 per taxable year. Mount Aloysius College strongly encourages two-year EITC commitments to maximize your tax plan. Credits are awarded to companies on a first-com, first-served basis until the cap is reached by eligible businesses. Your business is eligible to participate in the EITC program if it is authorized to do business in the state of Pennsylvania and subject to one or more of the following taxes:

- Capital Stock/Foreign Franchise Tax
- Corporate Net Income Tax
- Bank Shares Tax
- Title Insurance & Trust Company Shares Tax
- Insurance Premium Tax Mutual Thrift Tax
- Malt Beverage Tax
- Retaliatory Fees under section 212 of the Insurance Company Law of 1921
- Personal Income Tax

YOUR BUSINESS CAN APPLY FOR EITC BY:

Pennsylvania businesses can begin applying for EITC credits through DCED's electronic single application system. Please access the Business Application Guide (https://dced.pa.gov/download/application or scan the QR code shown below) for questions on how to fill out the application. Select your EITC Program Commitment (one or two years) to an EIO (Education Improvement Organization). **DCED will no longer require applicants to mail the signed signature page.**

Reminders:

- Applications are processed on a first come, first served basis by the **day submitted.**
- Applications will be approved until the amount of available tax credits is exhausted.
- Credits are worth 75% of the contribution; However, a 90% credit can be claimed if the corporation commits to **two consecutive annual contributions.** The maximum tax credit is $750,000 per taxable year.

BUSINESS APPLICATION GUIDE

APPLICATION TIMELINE:

MAY 15

- Business applicants who have fulfilled their 2-year commitment **and** wish to reapply to renew their 2-year commitment.
- Business who are in the middle of their 2-year commitment

JULY 1

- All other businesses including initial applicants and those applicants wishing to submit an additional application on top of their previously submitted 2-year commitment. *Subject to change, pending July 1 is on a Saturday or Sunday.

60 DAYS

- If approved for EITC, a contribution to MAC must be made within **60 days of the date your business received approval** from the DCED. Checks can be made payable to Mount Aloysius College with EITC in the memo line.

90 DAYS

- Once Mount Aloysius receives the contribution, a receipt will be forwarded to the organization. **The organization is responsible to forward a copy of the receipt within 90 days.**

EDUCATIONAL IMPROVEMENT TAX CREDITS (EITC)

Basic Summary Tax Calculation Example

	DONATION	EITC DONATION
CONTRIBUTION	$10,000	$10,000
STATE TAX CREDIT	($0)	($9,000)
FEDERAL TAX DEDUCTION (*assumes a 35% federal tax rate)	($3,500)*	($350)*
NET OUT OF POCKET COST	$6,500	$650

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