PARTICIPATE AS A BUSINESS

WHO CAN PARTICIPATE
• Businesses based in PA (LLCs, C and S-Corps, etc.)

HOW IT WORKS
• Business works with EA to prep their application
• Business submits application to State
• Business makes donation to EA (if approved by State)
• Business received tax credit from State

TIMELINE
• Spring – prep application
• July 1 – submit application
• Fall – receive approval and make donation to EA
• Tax season – claim on prior year’s tax return
• Year 2 – renew commitment

BENEFITS
• Easy application process
• Limited paperwork
• EA can apply on behalf of business
• No minimum donation amount

CHALLENGES
• Limited funds; first-come, first-served

PARTICIPATE AS AN INDIVIDUAL VIA A SPECIAL PURPOSE ENTITY (SPE)

WHO CAN PARTICIPATE
• Individuals who (1) are liable for more than $7,800 in state tax each year, and (2) have individual annual income of $200K (or $300K joint) or whose net worth exceeds $1M.

HOW IT WORKS
• EA affiliates set up an SPE
• SPE submits application to state
• Individuals fund SPE; SPE makes donation to EA
• Individuals receive Schedule K-1 from SPE for tax return

TIMELINE
• Spring/Summer – Individuals share interest with EA or SPE
• July 1 – SPE submits application
• Fall – SPE receives approval and makes donation to EA
• By March – Individuals receive K-1 and claim on prior year’s tax return

BENEFITS
• Ability to redirect individual tax liability to EA
• EA works with individuals and SPE
• No admin fees withheld from donation

CHALLENGES
• Required minimum gift amount ($7,800 for 2 yrs.)
• Subject to availability of funds from State

PARTICIPATE AS INDIVIDUAL OR BUSINESS VIA BLOCS

WHO CAN PARTICIPATE
• Individuals and businesses who are liable for more than $7,800 in state tax each year

HOW IT WORKS
• EA connects individual/business to BLOCS
• BLOCS helps individual/business to join SPE
• Individuals/Businesses fund SPE; SPE makes donation to BLOCS
• BLOCS disperses donations to EA
• Individuals receive Schedule K-1 from SPE for tax return

TIMELINE
• July 1 – BLOCS submits applications
• Fall – BLOCS receives approval; individuals and businesses fund SPEs
• By March – Individual/business receives K-1 and claims on prior year’s tax return
• Spring – EA receives donations from BLOCS

BENEFITS
• A way to participate if missed app deadline or prior SPE not approved
• BLOCS helps with renewal logistics
• Able to split gift between multiple Scholarship Organizations

CHALLENGES
• Required minimum gift amount
• Additional paperwork for participants
• Administrative fee of 10+% withheld from EA disbursement

To learn more, contact:
SUZANNE SCHAFFER
Leadership Giving Officer
sschaffer@episcopalacademy.org
484-424-1776