

Invest in our students' futures through Pennsylvania's Educational Improvement Tax Credit (EITC) Program

OUR SCHOOL:

Boys' Latin of Philadelphia prepares boys for success in college and beyond. Founded in 2007 to address the dearth of quality educational opportunities for boys in Philadelphia, today the school provides a world-class college preparatory education to 800 young men in grades six through 12, the vast majority of whom are African American and Economically Disadvantaged. The only all-male public school in Pennsylvania, the school boasts an intimate learning community in which each young man is encouraged to be the "architect of his own fortune." We provide a rigorous academic model, blending classical education and contemporary pedagogy, which prepares students for college matriculation and sets high standards for achievement, character development, and emotional intelligence. Our curriculum features daily Latin classes, AP or Honors sections in every

subject area, a 1:1 laptop program, and diverse course offerings. Boys' Latin students attend an extended day of classes, receive after-school tutoring, and have Saturday classes. Learning is underscored by practical experiences and extracurricular activities to develop students' intellectual, moral, social, creative, and athletic potential.

We have built an effective model for educating minority boys, a demographic that suffers the worst educational and quality of life outcomes in the nation. We firmly believe that all students, regardless of background, are capable of going to, and graduating from college. Since our first class graduated in 2011, Boys' Latin students have matriculated into and persisted through college at rates three- to four-times Philadelphia averages.

YOUR OPPORTUNITY:

Redirect your state tax today to change our students' tomorrows. Pennsylvania's EITC program permits donors to claim up to a 90% state income tax credit for any gift to an approved Educational Improvement Organization (EIO), like Boys' Latin. In turn, we are able to provide a world-class, college preparatory education to our students, and you get up to 90% of that donated amount credited against your state income taxes.

We partner with Friends of Education to help eligible individual donors take advantage of this opportunity. Donors join Friends of Education, a special purpose entity (SPE), by executing a joinder agreement. Once enrolled, donors make their contribution to Friends of Education, which gives 100% of the contribution to Boys' Latin. By combining this state tax credit with federal deductions for charitable gifts, donors can have a tremendous impact on our students for only a small out-of-pocket cost.

	Standard Gift	EITC Gift
Donation	(\$10,000)	(\$10,000)
Pennsylvania State Tax Credit (assumes 90% rate)	\$0	\$9,000
Federal Deduction (assumes 35% rate)	\$3,500	\$350
Out-of-Pocket Cost	(\$6,500)	(\$650)

By contributing only \$650 out of pocket, you would fund the participation of 2 students in the school's innovative reading and math intervention program that provides targeted supports to our highest need learners. Participants in this proven program achieve 1.5 grade levels of growth, nearly tripling the average growth experienced in a typical class.

YOUR INVESTMENT:

When you participate in this program, you turn a tax liability into a strategic investment in our wonderful and deserving young men. To invest in our students' tomorrows, take these next steps today:

- Speak with your tax advisor to determine whether you are eligible to participate. In general, to be eligible, donors must (1) have Pennsylvania-source income; (2) be employed by, a shareholder of, a partner in, or a member of a business that pays taxes in Pennsylvania; and (3) be current on all state and federal tax obligations.
- Notify Tyler Jackson, Development Associate, that you are eligible and interested in participating in the program at tjackson@boyslatin.org or 215-539-3355.

FAQs:

What is the EITC program?

Through the EITC program, Pennsylvania allows individuals and businesses to obtain a state tax credit (not a deduction) equal to 90% of their Pennsylvania state tax liability for eligible contributions with a two-year commitment. These contributions must be made either to a school that provides tuition assistance to students from low-income households or to an approved EIO, like Boys' Latin. There are three types of credits – K-12 Scholarships (SO), Pre-K (PKO), and EIO – available through this program. Please note that Boys' Latin can only receive EIO credits.

Are individuals able to participate in the EITC program?

Prior to 2015, Pennsylvania only awarded tax credits (SO, PKO, EIO) to eligible businesses contributing to qualified organizations. In 2015, the state opened all three EITC credits to individuals via SPEs. Individuals must join the SPE, like Friends of Education, and then the SPE distributes the credits to the individuals.

What is a SPE?

A SPE is a limited liability company that exists solely for the purpose of obtaining tax credits in the EITC program.

What is Friends of Education?

Friends of Education LLC is a SPE and has been awarded EIO credits.

What are the requirements for joining Friends of Education?

To join, individuals must (1) make a commitment to participate in the program for two years; (2) make a minimum donation of \$6,500; and (3) sign a joinder agreement.

What is the appropriate level of participation?

To maximize the leveraged nature of the program, individuals should participate in an amount equal to about 110% of their state tax liability. This program is based on the applicant's Pennsylvania tax liability (or joint tax liability), not income; therefore, each taxpayer's situation will differ. Pennsylvania tax liability is reported on Form PA-40 Line 12. These credits are not refundable. That means if someone gives more than 110% of their state tax liability, they will not receive a tax benefit for any amount that exceeds the 110% threshold. Individuals should consult a tax professional.

How does Boys' Latin receive my contribution?

When you sign the joinder agreement to join Friends of Education, you will identify "Boys' Latin Foundation" as the school of your choice. Within 60 days of the date that Friends of Education receives its approval from the state, your gift will be remitted to Boys' Latin. Please note that in order to receive your contribution, Boys' Latin must first enter into a fee agreement with Friends of Education and remit a fee equal to 8% of your contribution to Friends of Education.

How do I claim the EITC tax credit?

By February, donors will receive their Forms K-1 from Friends of Education reflecting a 90% state tax credit and 10% charitable contribution deduction for the tax year in which the contribution was made.



To learn more about the opportunity for individuals to support Boys' Latin through the EITC program, please contact Tyler Jackson, Development Associate, at tjackson@boyslatin.org or 215-539-3355.

More information is also available at:

 www.boyslatin.org/donate

 [boyslatin](https://www.facebook.com/boyslatin)

 [boyslatinoofphiladelphia](https://www.instagram.com/boyslatinoofphiladelphia)