PENNSYLVANIA'S TAX CREDIT PROGRAM OSTC/EITC
INFORMATION GUIDE

GESU SCHOOL

THE BASICS

Would you rather pay your taxes to Harrisburg, OR to benefit local students with financial need?



OSTC/EITC allows individuals and businesses to make scholarship donations to Gesu School while receiving a significant tax credit.

OSTC/EITC tax credits are worth 90% of the tax payer's bill. The remaining 10% of the tax bill may be written off on the federal tax return as a charitable donation. (Consult your tax professional.)

OSTC/EITC tax credits are awarded from the state on a first-come, first-served basis, so being early is critical.

Almost every PA taxpayer can donate their tax bill. There are very few exclusions.

THE PROCESS

1. Determine the amount of your PA tax liability.
2. Reach out Gesu School to indicate your willingness to participate.
3. Complete the joinder agreement form to hold your place in line, as there are a limited number of tax credits available each year.
4. A notice will arrive in the mail or by email requesting your donation shortly after completing your agreement.
5. Checks will need to be mailed in by mid-December.
6. Tax forms (K-1) will be sent to you by March 15 the following spring.

PENNSYLVANIA EDUCATIONAL IMPROVEMENT TAX CREDIT PROGRAM

WHAT TYPES OF TAXES CAN BE OFFSET BY THIS CREDIT?

Businesses that are authorized to do business in Pennsylvania who are subject to one or more of the following taxes:

1. Corporate Net Income Tax
2. Capital Stock/Foreign Franchise Tax
3. Malt Beverage Tax
4. Personal Income Tax/Sub-Chapters corporations and other "pass-through" entities will be able to use the credit against the shareholder, member or partners' PA personal income taxes
5. Bank and Trust Company Shares Tax
6. Insurance Premiums Tax (excluding surplus lines, unauthorized, domestic foreign marine)
7. Mutual Thrift Institutions Tax
8. Title Insurance Companies Shares Tax
9. Retaliatory Fees under section 212 of the insurance company Law of 1921

SAMPLE TAX CREDIT DONATION

SAMPLE CALCULATION FOR LLC, PARTNERSHIP OR S-CORPORATION (2 YEAR COMMITMENT):

Donation to Approved Scholarship Organization	*$10,000*
PA Tax Credit Reduction (90% of contribution)	*($9,000)*
Net Federal Tax Reduction for contribution (35% tax rate)	*($350)**
Out of Pocket	*$650*

*** BASED ON SAMPLE '26 FEDERAL TAX BRACKETS**

FAQ

Most Gesu School families face serious financial struggles. A Gesu education often opens countless doors and gives our students the tools for a successful future.

- Approximately two out of five of our Gesu families have incomes below the Federal Poverty Level.
- Approximately 44% of Gesu families have an annual income of less than $33,000.
- 100% Gesu School students qualify for free/reduced breakfast and lunch programs.

WHAT PERCENTAGE OF MY TAX BILL GOES TO THE SCHOOL?

100% of your contribution goes to the school for scholarship purposes.

HOW DO I QUALIFY TO DONATE MY TAX BILL?

If you pay $3,500 or more in PA state income taxes each year, YOU QUALIFY!

WHAT ARE THE BENEFITS OF PARTICIPATING?

Your tax credit donation creates more opportunities for students to learn in a caring school environment and decreases financial stress on Gesu families.

Your donation also allows you to support your local schools, know where and how your tax dollars are being used, and may be applicable as a charitable donation on your federal tax return.

WHEN CAN I GET STARTED?

Complete a reservation form TODAY to set aside these scarce tax credits for you and your school.

HOW LONG DOES IT TAKE TO APPLY?

It takes 10 minutes to complete the application process.

CAN I DO THIS LATER?

Unfortunately, no. Timing is legally mandated and certain deadlines must be followed. Tax credits are limited and need to be utilized by December 31st.

CONTACT INFO

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