

# Wouldn't you like to CHOOSE where YOUR business tax dollars go?

The Pennsylvania Legislature offers a PA state tax credit (plus a federal deduction) to businesses like you - large and small - called the Educational Improvement Tax Credit (EITC). Enacted in May 2001, the EITC provides Pennsylvania companies with a tax credit (up to 100%) for contributions to non-profit scholarship organizations. It also allows you to utilize this contribution as a charitable gift on your federal taxes! A "win-win" situation for businesses and schools, it is simply reallocating your tax dollars to the local community.

Corporations who qualify are those who pay one or all of the following taxes:

Subchapter S Partnerships  
Limited Partnerships  
All pass through corporations  
Corporate net income tax  
Capital stock franchise tax  
Bank & trust company shares tax  
Title insurance company shares tax  
Insurance premiums tax  
Mutual thrift institutions

Start applying July 1st - credits run out fast!

Won't you get **more information** today?

Call Merle Skinner at **724-455-2122 ext. 103**  
e-mail [merle\\_skinner@champion.org](mailto:merle_skinner@champion.org)

[www.champion.org/development/eitc](http://www.champion.org/development/eitc)

Please allow me to share how simple the process was. I went online and printed a form from the site to apply. The paperwork was relatively simple and after completing it I simply faxed it back to the State. After receiving the approval in the mail I sent a check to Champion for my donation. I mailed a copy of my cancelled check to my CPA and that was that. I was able to exercise my choice as to how my funds were used. I know how far the folks at Champion stretch a dollar and I know it was the right choice. Take a few minutes and consider doing the same.

Roy Laux  
Synergy Group

## Tax Credits: More Attractive - Plus a Standard Charitable Donation?

*The goal is to allow families to choose the right school for their child without letting economics become the deciding factor.*

**Y E S !** Tax credits reduce your actual tax bill, dollar-for-dollar. There are two credits available. The K-12 credit is a one year commitment and allows a business 75% credit against taxes owed and 90% credit if giving for two consecutive years. The Pre-K program allows for a 100% credit for the first \$10,000 given and 90% thereafter. Eligible companies may take up to \$300,000 in tax credits per year.

The process to receive tax credit is simple. Step 1 - Businesses send the Department of Community and Economic Development (DCED) a one-page application for the tax credit, which is available at [www.champion.org/development/eitc](http://www.champion.org/development/eitc). Step 2 - If there are funds available and the company does not owe back taxes, DCED will send an approval letter to the applicant. Step 3 - The company then has 60 days to make its donation(s) to the Center and Step 4 - 90 days to send proof of the donation(s) to DCED. Step 5 - Finally, file the credit with your income tax.

A business must complete and submit an EITC application annually with the DCED, which will then determine whether the firm qualifies for the credit. Tax credits cannot exceed the tax liability of a business for a given taxable year, and may not exceed \$300,000 annually per business. Also, a tax credit must be applied in the taxable year the contribution is made.

Any business that is paying Pennsylvania Corporate Taxes would be foolish not to take advantage of the Educational Improvement Tax Credit (Act 4 of 2001) which allows a business to help local schools directly rather than sending their money to Harrisburg. It helps the local community, and a business can see their tax dollars going to their school of choice.

Eric Bononi  
CPA

## Indian Creek Valley Christian Family & Children's Center Children's Tuition Fund is a Non-Profit Scholarship Organization and we are available to help you.

In recognition of the CCS's outstanding record of academic and community involvement- close to 98% of graduates go on to college or trade school-First National Bank made several contributions to the school's scholarship fund. Jude Miller, Regional Market Manager, has worked with Merle and Barb Skinner since they arrived in the area nearly 28 years ago. "The Skinners are proof that treating others as you would like to be treated rewards all involved. First National Bank is all about helping people- and so is their ministry."

Judie Miller  
First National Bank  
Regional Market Manager

"We have donated through the EITC tax credit for years and even though we were skeptical at first we have found this extremely easy to apply and to get your tax credits. I enjoy being able to see my tax dollars work so close to home."

Fred Wright  
CEO, *Ohio* Prints