

# PA Educational Improvement Tax Credit



For businesses interested in providing scholarships for students at THMH



**Terre Hill Mennonite High School**  
1416 Union Grove Road, Terre Hill, PA 17581  
(717) 445-4618  
[www.thmhschool.org](http://www.thmhschool.org)

## About Faith Builders Scholarship Services

FB Scholarship services uses 95% of the contributed funds for student scholarships, meaning that 5% are withheld as an administrative fee. FB Scholarship Services provides flexibility within the EITC parameters regarding eligibility and amount of scholarship awarded.

All available scholarship funds are donor directed and reach the school of their choice. Donors may remain anonymous.

Distribution of funds is needs-based according to family size, income, and tuition owed.

The maximum amount of financial aid for a family shall not exceed 70% of the tuition per student.

Scholarships are available for any fulltime student (PA resident attending a PA School).

- The school needs to file its information with FB Scholarship Services.
- The family needs to complete an application from FB Scholarship Services.
- Funds for any qualified student will be paid directly to their participating school.

**For questions concerning business participation, contact:**

FB Scholarship Services  
28500 Guys Mills Rd.  
Guys Mills, PA 16327

Phone: (814) 789-4518  
E-mail: [dennis@fbscholarship.org](mailto:dennis@fbscholarship.org)



This information was provided by:



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Website: [thmhschool.org](http://thmhschool.org)



## You Can Help

- Provide tuition assistance to families struggling with the costs of private education
- Provide scholarship funds to enable families to send their children to THMH

## Benefit

Receive a tax credit from the state of Pennsylvania for up to 90% of the funds that you provide.



## Program Overview

THMH utilizes a program administered by Faith Builders Scholarship Services. Eligible businesses are able to make contributions towards student tuition and receive up to a 90% tax credit. Distribution of funds is needs-based according to family size, income, and total tuition. All funds contributed to THMH through this program go toward student tuition.

## Steps to Participate

1. Determine eligibility. PA businesses that pay any of the following corporate taxes or personal taxes are eligible:

- Personal Income Tax from pass through distributions from Partnerships, LLC's, LLP's, and S-Corporations
- Capital Stock Franchise Tax
- Corporate Net Income Tax
- Insurance Premium Tax
- Title Insurance Companies Shares Tax
- Mutual Thrift Institutions Tax Bank and Trust Company Shares Tax

2. Determine the 1-year or 2-year contribution option. When applying for the credit, an eligible business will need to select either the one or two year option. Businesses selecting the 1-year option will receive a credit equal to 75% of their contribution. If the business agrees to provide the same contribution

for two consecutive tax years, they will receive a credit equal to 90% of their contribution.

3. Complete and submit an application to the PA Department of Community and Economic Development (DCED) by July 1 of each year (see EITC application for more details). E-mail the application to: RA-EITC@state.pa.us.

4. Within 60 days of receiving approval for the tax credit from the DCED, make your contribution to an approved organization, such as the FB Scholarship Fund. Be sure to designate THMH as the school to benefit from your contribution. Contributions are sent to:

Faith Builders Scholarship Fund  
28500 Guys Mills Rd.  
Guys Mills, PA, 16327

5. FB Scholarship Services will issue a receipt showing the contribution. Send your receipt to the DCED to activate the tax credit.

## EITC Program

PA Act 4 of 2001 and ACT 48 of 2003 established the PA Educational Improvement Tax Credit (EITC). This provides tax credits to eligible businesses that contribute to a scholarship organization.

Tax credits are awarded on a first-come, first-serve basis until all the available program credits are exhausted. Tax credit not used in the tax year the contribution was made may not be carried forward or backward and is not refundable or transferable.

For more information:

- Call the PA DCED at (717)787-7120 or visit [www.newpa.com](http://www.newpa.com).
- Call FB Scholarship Services at (814) 789-4518 or visit [www.fbep.org](http://www.fbep.org) and follow the link FB Scholarship.