EITC Program
(Educational Improvement Tax Credit)

Overview

The EITC Program allows an individual or business to redirect their tax dollars (that they already pay) to support a Catholic School's tuition assistance program instead of directing those dollars to the state. Those tax dollars are then turned into scholarships for eligible Catholic school students right here in our area.

A 90% tax credit is provided to taxpayers that redirect their tax dollars to benefit the EITC scholarship program. For every dollar you contribute, you earn $0.90 back in a tax credit. The remaining 10% is a deductible charitable contribution for federal tax purposes.

The EITC Program is the number one source of funding for private schools in Pennsylvania and is overseen by the Pennsylvania Department of Community & Economic Development.

Participating as an Individual or Business is easy!

The Diocese of Scranton has partnered with the company RedefinED to help grow its EITC participation rates. Anyone with Pennsylvania tax liability and who is interested in supporting Catholic education can participate - but it is a two year commitment. You do not need to have a child or grandchild enrolled in a Catholic school.

For anyone who is a W2 employee, which means you earn a paycheck, the first step is easy. You have to determine how much you typically pay in state taxes. That can be found on your state tax return or by multiplying your household income by 0.0307 (estimated PA tax liability). If your income is over $35,000 annually, you should be able to redirect your tax dollars to the EITC Program.

After signing a pledge form with RedefinED and being approved, an individual will write a check for the amount they want to pledge (with a minimum of $1,000), and they will receive a K-1 receipt for the contribution. That will be submitted with the individual's taxes and they will receive 90% back in tax credits - just in time for the second year!

Pennsylvania businesses, including those that are C-Corps, S-Corps, LLCs and Partnerships are also eligible to participate in the EITC Program.

PARTICIPATING IS AS EASY AS 1-2-3!

Step 1
Sign-Up

Determine your current year PA State Income tax liability, found on Line 12 of the PA-40 form.

Then sign the one-page pledge form with the amount of your contribution.

Step 2
Donate

Once you receive your approval for the tax credit, you will send in the pledge amount.

Step 3
Claim Your Credit

After your contribution is made, you will receive a K-1 tax form to file with your taxes, providing you with a 90% tax credit on the contribution you made.