



# COMMUNITY PARTNERSHIP SCHOOL

An independent elementary school in North Central Philadelphia

## EDUCATIONAL IMPROVEMENT TAX CREDIT PROGRAM

*Investing in Tomorrow's Workforce*

### WHAT IS THE EITC PROGRAM?

Pennsylvania's Educational Improvement Tax Credit Program (EITC) enables the business community to invest directly in tomorrow's workforce by turning tax dollars into scholarship funds. Under EITC, businesses are credited for contributions to qualified organizations, such as Community Partnership School (CPS) that provide much needed tuition assistance. With minimal or no additional costs, businesses like yours and others can impact the lives of children seeking a better future through education.

### WHY CONSIDER CPS?

Community Partnership School is a unique organization-- an independent school serving a low-income, low-wealth population. The need for scholarship support is greater now more than ever, as all of our families qualify for tuition assistance. Unlike public or charter schools, we don't receive public funding; and unlike traditional private schools, we don't have an alumni donor base. Nor are we tuition-driven, as tuition payments by families account for only 5% of our budget. The balance is supported by the generosity of private donors - individuals, foundations and corporations that invest in the CPS model for urban education reform.

### HOW DOES CPS USE EITC FUNDS?

EITC contributions make up approximately 10% of our annual operating budget. These funds are pooled together with other sources of private philanthropy to subsidize the \$17,500 per-student cost of a CPS education. Without tuition assistance, most families would have little choice but to send their children to the over-crowded, under-performing neighborhood public schools.

### WHAT DOES A SCHOLARSHIP PROVIDE?

Some hallmarks of a CPS education include: small class sizes with individualized attention; hands-on, inquiry based learning methods; state-of-the-art technology with SMART Boards and computers; close collaborations with families to nurture each child's growth and achievement; and an enriching After School Program. Equally important to producing strong learners, we're dedicated to developing strong leaders – good people with compassion for those around them, curiosity about our increasingly complex world, and courage to do their best, even when it's not easy. Our vision is to empower families to break the cycle of generational poverty and build a stronger community for all.

### HOW DOES EITC WORK?

- Businesses will be approved for a tax credit equal to 75% of its contribution, up to a maximum of \$300,000 per taxable year.
- The tax credit may be increased to 90% of the contribution made, up to a maximum of \$300,000 per taxable year, if the business agrees to provide the same amount of contribution for two consecutive tax years.
- For more information visit [www.cpsphilly.org/eitc](http://www.cpsphilly.org/eitc) or call Angie McCole, Associate Director of Development, at 215-235-0461.

### HOW DO I APPLY?

- Visit [www.newpa.com/eitc](http://www.newpa.com/eitc) and click on "EITC Business Guidelines" for the application.
- By July 1, 2011, submit the attached one-page application form to: DCED Center for Business Financing, Tax Credit Division, 4th Floor, Commonwealth Keystone Building, 400 North Street, Harrisburg, PA 17120 OR send to CPS for delivery to DCED.
- Notify CPS before making your contribution to the school; checks payable to "Community Partnership School."
- CPS will send you an acknowledgement letter, which you then send to the Commonwealth as proof of contribution.

### WHO CAN PARTICIPATE?

Your business qualifies if it pays one or more of these taxes in Pennsylvania.

- Bank and Trust Company Shares Tax
- Corporate Net Income Tax
- Mutual Thrift Institutions Tax
- Capital Stock Franchise Tax
- Insurance Premiums Tax
- Title Insurance Companies Shares Tax
- Personal Income Tax (S Corporations)

# Appendix I - SO

## Application for Educational Improvement Tax Credits (Scholarship Org)

Business Name:		FEIN:	
Address:			
City:		State:	
Zip Code:		County:	
Business Description:		NAICS Code*:	
CEO Name:		CEO Title:	
Contact Name:		Contact Title:	
Contact Phone #:		Contact Fax #:	
Contact E-mail Address:			
Business Tax Year End (MM/DD):		PA Corporate Tax Account ID #:	

- Please check if the information in the above selection differs from previous applications.
- Amount to be donated per year to a scholarship organization(s): \$ \_\_\_\_\_
- Based on the contribution stated above, this application is for the following commitment:
- Year 1 of a 1 Year Commitment (75% Tax Credit)
  - Year 1 of a 2 Year Commitment (90% Tax Credit)
  - Year 2 of a 2 Year Commitment (90% Tax Credit)
- Calculated amount of tax credits requested per year: \$ \_\_\_\_\_

- If the contribution will be personal property or services, please check here and attach a separate typed page describing the property or service and appropriate information establishing the value of the contribution.

The EITC may be used against the following business taxes: Corporate Net Income Tax, Capital Stock Franchise Tax, Bank & Trust Company Shares Tax, Title Insurance Company Shares Tax, Insurance Premiums Tax and Mutual Thrift Institutions Tax.

**S Corporations, General Partnerships or Limited Partnerships Only:** In addition to earning credits for any of the six corporate taxes listed above, any 2 of a 2 year commitment submitted between May 16 and June 30 or year 1 application submitted on or after July 8 may request to pass credits through to the personal income tax of the shareholders or partners, per Section II of these guidelines. If the option is requested, the business may not submit this application between July 1 and July 7.

Does the applicant desire the option to pass the credits through to personal income tax?  
 Yes  No (If neither option is selected, the pass through option will not be available)

I hereby certify that all information contained herein is true and correct to the best of my knowledge. I acknowledge that tax credits will be awarded only for approved contributions made to Scholarship Organizations listed by the Department (DCED) at [www.newPA.com/EITC](http://www.newPA.com/EITC). I am aware that contributions must be made within 60 days of the date on the approval letter and receipts must be forwarded to DCED by the business within 90 days of approval. Furthermore, I acknowledge that if I knowingly make false statement to obtain tax credits, I (company, entity and signer) may be subject to criminal prosecution.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_