

Who Benefits from Your EITC Pre-K Scholarship Contribution?

Low- and moderate-income children and families in your community benefit from your donation.

Quality Pre-K programs in our community cost an average of about \$10,000 per year. For low-income, working families this is often their largest expense.

In fact, for some families, it's the reason a parent can't afford to work.

We provide full and partial scholarships so children can attend carefully vetted and closely monitored quality Pre-K programs.

Our partners meet high performance standards and commit to staff development, child-centered learning, and continuous improvement.



LIVE UNITED 
[WWW.UWBUCKS.ORG](http://www.uwbucks.org)

About United Way of Bucks County

With the help of donors and partners, we make sure the most vulnerable people in our community can access care and opportunity.

Specifically, we invest in collaborations to:

- Provide early child care and education
- Eliminate hunger and food insecurity
- Give hard-working families help with one-time emergencies
- Ensure that homeless families and individuals have access to “street outreach” so they get housed faster
- Provide quick, up-to-date information and referral services through 2-1-1

We work to create lasting change for our friends and neighbors. Together, we make Bucks County a stronger, healthier community.



United Way of Bucks County

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EITC: Educational Improvement Tax Credit

PRE-KINDERGARTEN



It may cost your business nothing to give a child everything.

www.uwbucks.org/eitc


United Way
of Bucks County

Why do Pre-K Scholarships Matter?

Investing in early childhood education is critically important. 90% of a child's brain development happens in the first 5 years of life.

Quality early ed teaches critical thinking and helps children form healthy relationships. These kids are significantly more likely to succeed in school and in life.

Every \$1 invested saves up to \$17 long term and generates \$1.79 in economic activity immediately.

With access to early childhood education, at-risk kids are:

- Less likely to be placed in special education and less likely to repeat grades
- More likely to graduate from high school and a post-secondary program
- More likely to become employed, economically self-sufficient adults



What is EITC?

The Pennsylvania Educational Improvement Tax Credit (EITC) program makes pre-kindergarten scholarships available to children and families throughout Bucks County.

Contributions give local kids a chance at a better education, while providing a tax benefit for participating businesses.

Once you sign up for EITC, you are able to make a donation to United Way of Bucks County for Pre-K scholarships and be reimbursed by the state through a PA state tax credit.

Who Can Participate?

Owners of business entities that pay PA personal income tax (PIT).

- Personal Income Tax - Subchapter S-corporations and other “pass-through” entities are able to use the credit against the shareholder, member, or partners’ PA personal income taxes.

Any business entity that operates in the Commonwealth of Pennsylvania and is subject to the following:

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

How Do You Benefit?

Under this program, you — through your business entity — may receive a PA state tax credit. Tax credits for Pre-K Scholarship Organization donations (PKSO) are as follows:

- 100% back for the first \$10,000; 90% back for additional donations, with a max of \$200,000 annually.
- Full amount of the contribution is deductible for federal tax purposes as a charitable contribution, subject to charitable contribution rules.

How Do You Get Started?

1. Visit www.uwbucks.org/eitc for direct links to forms at PA’s Dept of Community & Economic Development.
2. **You must submit your online application on July 1, 2020**
3. You will be notified when approved.
4. Contact Candi Guerrero at candig@uwbucks.org or 215-949-1660, ext. 108 to discuss your contribution amount and acknowledgment.
5. Make your contribution.
6. Send your acknowledgment to your accountant and/or your tax professional.
7. Tax credit is applied to your 2020 taxes.