



Applying for EITC/OSTC SPE Tax Credits from Penngift Q & A 2025

Turning your PA taxes into scholarships for kids!

Q #1 Who can give?

A. Any individual, couple or business that pays eligible PA Taxes. For most, it is the PA Personal Income Tax. There are several other taxes that qualify (like Corporate Income, Bank Shares, etc.) Penngift will provide the list if requested.

Q #2 How much can I give?

A. As much as you, or you and your spouse, or your business pays in eligible taxes to PA in 2025. You can donate less, but not more, than that amount to qualify for the 90% refund/credit. The minimum donation is \$500. This is a one-year only commitment.

Q #3 How do I find out how much I will be paying this year?

A. 1.) ask your accountant; 2.) check your pay stub if you are on salary and determine the amount of taxes you will have paid by the end of the year; 3) estimate what your gross income will be for the year 2025 and multiply it by .0307 (the personal income tax rate) 4.) look at last year's PA-40 tax return and make an estimate based on that figure. If you and spouse file jointly, add the two incomes together; P.S. If you are eligible for PA's Tax Forgiveness Program, you may not benefit fully from the EITC tax credit..

Q #4 Who signs the Joinders?

A. For individual donors, the person making the donation (spouses also for joint filers). For businesses, the person authorized to make the donation.

Q #5 How will I get the tax credit/refund?

A. You must apply for the credit/refund, it does not come to you automatically!

When you or your accountant file your PA-40 in 2026, you must attach the PA K-1 form that Penngift's accounting firm, RKL, will send you in Feb. 2026, in addition to a PA Schedule OC (Other Credits), which is available on the PA Dept. of Revenue's website or from Penngift.

If you give as a business, you get your tax credit in 2025 - 2026 quarterly filings, by reducing the amount you owe until the credits are used up. Penngift provides you with a letter of proof that you made the donation.

If you give as an individual, refunds will either be a check in the mail or a direct deposit to your bank account (whichever you selected on your tax return). Individual donors have a wait of several months until they get their refund. To check on the status of your refund, call Customer Service at 717-787-8201 or register for help at mypath.pa.gov.

Q #6 What will it cost me to give through an EITC SPE?

A. The tax credit/refund is 90%. If you donate \$2000, the credit/refund will be \$1800. Cost to you is \$200 after credit/refund. Penngift charges a 5% fee for its services. This amount is subtracted from the amount forwarded to the school(s) you donated to.

Q #7 How difficult is it to participate?

A. You will need to fill out a one-page Joinder form, write a check to Penngift for the amount of your donation and see that both get to Penngift in a timely fashion, which is usually in the months of October through November. You will be given 30 days to make your donation after you are notified by Penngift. You should mail your contribution directly to Penngift, following the instructions in the email you receive from us.

IMPORTANT: Make sure that Social Security # or EIN # on Joinders are accurate and readable. Inaccurate numbers will cancel your credit/refund!

For more information contact Jerry Birmelin, Development Director, at jbirmelin@penngift.org and 570-937-3330 or Jim Cox, Managing Director, at jcox@penngift.org and 610-781-5221.