

# INDIVIDUAL EITC GIVING AT SRV



## HOW YOUR GIFT CAN MAKE A DIFFERENCE

For years The Educational Improvement Tax Credit program (EITC) has allowed local businesses to direct their tax dollars to non-profit organizations, like The School in Rose Valley. Recently this program has opened to individuals through participation in a Special Purpose Entity (SPE) – a pass through entity that directs the donors' gifts right to the School. Funds donated through EITC go directly to our Tuition Assistance Program. Tuition Assistance allows 45% of our families to make SRV a reality for their children.

The EITC program offers significant benefits for **Accredited Investors**<sup>1</sup>. Donors can earn a tax credit for 75% of their donation or 90% of their gift if they agree to donate for two consecutive years.

**FOR MORE INFORMATION** about how you can make a smart investment in SRV's future, contact the School Development Office at (610) 566-1088 or [nava@theschoolinrosevalley.org](mailto:nava@theschoolinrosevalley.org)

## HOW DOES THE PROGRAM WORK?

- Complete the SPE Joinder Agreement by May 15
- Write your check to the SPE in September
- The SPE applies for the tax credits and alerts SRV of donations
- Donors receive a letter of acceptance from the state
- SRV receives a check from the SPE for 100% of the gift
- Donors receive a K-1 from the SPE to apply to their tax return

## Example Gift Scenario

Your EITC Donation	\$1,000	\$10,000	\$100,000
State Tax Credit	\$900	\$9,000	\$90,000
Federal Tax Savings	\$35	\$350	\$3,500
Cost to You!	\$65	\$650	\$6,500

<sup>1</sup> Income exceeds \$200,000 for single filing or \$300,000 for joint filings for the last two tax years; or net worth greater than \$1,000,000.