

Educational Improvement Tax Credits at the Japan-America Society of Pennsylvania

If given a choice of either sending a check to Harrisburg to pay for state taxes on your business earnings OR making a donation to the Japan-America Society of Pennsylvania (JASP) to help broaden the education of Western PA students, which would you choose? Indeed, you have such a choice through the Educational Improvement Tax Credit program!

What is EITC?

Pennsylvania tax credits that are awarded by the Commonwealth to companies and business owners contributing to qualified organizations, such as the JASP, that provide educational outreach programs to Western PA.

How much of a tax credit can I receive?

You may take up to \$300,000 in credits annually against taxes owed. Tax credits equal 75% of the donation for a one-year commitment or a 90% credit for a two-year commitment of equal contributions. Existing federal charitable deductions also apply, so there may be no net cost to the donor.

What types of state taxes and businesses are eligible for these credits?

ENTITY TYPES	PA TAX TYPES		
	Capital Stock & Franchise	Corp. Net Income (CNI)	Personal Income Tax
C-Corporation	X	X	
S-Corporation	X		X
Limited Liability Corp. (LLC)	X		X
Partnerships			X
Shareholders			X

Various Bank and Insurance taxes also qualify.

Exposing students to the Japanese culture through real experiences will enable these learning experiences to stay with them for a lifetime. Thank you so much for your visit and for making our worlds bigger.

Audrey Hinkle, Elementary Teacher, Park School, Munhall, PA

How do JASP students benefit from my EITC contributions?

Like anything valuable and worthwhile, it costs money for the JASP to deliver an exceptional educational experience to pupils. When your business receives tax credits by designating its donation to the JASP's educational outreach programs today, your contribution is awarded directly to such programs as the Japan in the Schools and Pittsburgh Taiko Group which introduce and educate students about Japan, its culture and provide a global education.



Why are tax credits more attractive than a standard charitable deduction?

While deductions reduce your amount of taxable income, tax credits *reduce your actual tax bill*, dollar-for-dollar. Tax credits are utilized AFTER your tax liability is established.



Is there a lot of paperwork and bureaucracy involved?

No. It's a remarkably simple process.

1. Submit the *one page* application to the PA Department of Community & Economic Development.
2. Based on available funding and presuming the company does not owe back taxes, DCED will send an approval letter to the applicant.
3. Upon approval, the company then has 60 days to make its donation designated for the Japan-America Society of PA.
4. Acknowledgement will be provided to the business, which then has 90 days to send proof of its donation to DCED. The tax credit is effective the first day of the taxable year in which the contribution is made.



To Participate in EITC at the JASP

- Download or call for an EITC application from either the PA Department of Community & Economic Development or at www.us-japan.org/jasp.
- Submit application to DCED. Once approved, make the contribution designated for the Japan-America Society of Pennsylvania.
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Suite 444
Pittsburgh, PA 15219
- Need more information? Contact:
Donna Lee Siple, Executive Director, (412) 433-5022
or via email dlsiple@us-japan.org

