



Educational Improvement Tax Credit (EITC) Fact Sheet

The Educational Improvement Tax Credit (EITC) program is a Pennsylvania initiative that enables businesses to invest in their communities by supporting educational programs and scholarships while reducing their tax liability. Here's an overview of its benefits and financial details:



Benefits of EITC

For Businesses:

Tax Savings: Businesses can receive tax credits of up to **75%** for a one-year commitment or **90%** for a two-year commitment of the total contribution amount. These credits apply against state taxes such as Corporate Net Income Tax, Capital Stock/Foreign Franchise Tax, or Personal Income Tax (for pass-through entities like LLCs or S-Corps).

Community Impact: Contributions directly support approved educational initiatives, fostering goodwill and enhancing public relations.

Flexibility: Businesses can choose to support K-12 scholarships, pre-K scholarships, or innovative educational programs.

For Schools and Students:

Access to Quality Education: Scholarships enable low- and middle-income families to afford private or alternative schooling options that better suit their children's needs.

Enhanced Programming: Contributions fund innovative and career-focused programs, improving academic outcomes and preparing students for future employment opportunities.

For Communities:

Workforce Development: EITC-funded programs often focus on skills like STEM, career readiness, and employability, strengthening the local workforce.

Economic Growth: A better-educated workforce attracts businesses and fosters local economic development.

Social Equity: By addressing educational disparities, the program helps create opportunities for underprivileged families

How It Works:

1. Eligibility: Businesses operating in Pennsylvania and paying eligible state taxes can participate.
2. Application Process: Submit an application to the Department of Community and Economic Development (DCED) to receive EITC approval.
3. Contribution: Donate to an approved EIO, Scholarship Organization (SO), or Pre-K Scholarship Organization (PKSO).
4. Tax Credit: Claim the applicable percentage of your contribution as a tax credit.

Financial Examples

One-Year Commitment:
Contribution Amount: \$10,000
Tax Credit: 75% = \$7,500
Net Cost to Business: \$2,500

Two-Year Commitment:
Contribution Amount: \$10,000 per year
Tax Credit: 90% = \$9,000 annually
Net Cost to Business: \$1,000 per year

How the Foundation of the Columbia Montour Chamber of Commerce Fits In

The Foundation of the Columbia Montour Chamber of Commerce is an approved Educational Improvement Organization (EIO) under the EITC program. Contributions made to the Foundation directly support innovative educational initiatives in local schools, such as:

Career readiness programs that prepare students for workforce opportunities such as *Brighter Financial Futures Literacy Program*

STEM education projects like the *SEAL Challenge*, that equip students with in-demand technical skills.

Leadership development programs that build essential skills for future community leaders such as *Student in the Workplace*.

By partnering with the Foundation, businesses can ensure their contributions are making a meaningful local impact while benefiting from the generous tax credits offered through EITC.

For more information, contact
The Foundation at the Columbia Montour Chamber of Commerce at
foundation@columbiamontourchamber.com

EITC APPROVED PROGRAMS FOR 2025/2026

BSA Learning for Life with Guest Lecturers – A partnership with the Columbia-Montour BSA to offer career exploration opportunities to local middle and high schoolers, and to pair local organizations and their career opportunities with students, through guest speakers.

Student in the Workplace – The Student in the Workplace program brings students to a variety of on-site experiences for career exploration.

Classroom in the Hospital – Students from local schools explore health careers in partnership with local healthcare organizations.

Classroom on Main Street – Students from local high schools explore business and entrepreneurship, meeting with small business owners and entrepreneurship experts.

Educator in the Workplace – The goal of this program is to enhance high school and middle school curriculum development by partnering educators with businesses in Columbia and Montour Counties. Educators bring their experiences back into the classroom through job shadowing experiences and lesson plan development.

Pennsylvania Free Enterprise Week (PFEW) – Offering scholarships for local students to attend a week-long summer program aimed at immersing students in understanding the free enterprise system and the exciting world of business.

Stock Market Game - This program allows students to experience the thrill of investing without all the risk of losing real money. With \$100,000 of virtual cash, students are in control of their fortune, and compete with other teams from their region and across the state. Teachers register their students in one of three grade-based divisions -: Elementary (Grades 4-5), Junior High/Middle School (Grades 6-8), and High School (Grades 9-12).

STEM Magnet Program in the Central Susq Region

STEM Magnet and annual STEM programming – The Foundation partners with Bloomsburg University in assisting local students attend their STEM Magnet program. Additionally, the Foundation hosts an annual STEM contest for local students. In 2024-2025, the STEM contest will be the “Sea, Air, and Land Challenge”, in partnership with Penn State’s Applied Engineering Lab and the Department of Defense. EITC contributions assist students and their teams in purchasing materials for the program and in getting curriculum into the hands of local teachers.

Tech Theater Production – In partnership with Journey Bank and Commonwealth University’s Arts in Bloom, this program merges STEM and theater curricula to appeal to students who may not see STEM as valuable to their future in the arts. Through this program, the Foundation has purchased technical equipment for local schools’ theater programs and offered workshops to teach students about light and sound in arts productions.

What’s So Cool About Manufacturing? – Pairing local manufacturers with middle school students, this program teaches students how to create a two-minute marketing video about said manufacturing partner. Students learn how to shoot A and B roll, story board, edit video, add music, and produce. Class work includes social media and digital marketing, and culminates in a 48-hour online, viewers-choice-based contest. Winners of the regional contest are eligible for the statewide contest.