

EITC Special Purpose Entities (SPE) Donor Instructions

(Revised 9/10/2022)

1. Complete the Joinder Agreement/Application (ideally by September 30th):

- a. Obtain Joinder Agreement by contacting
CentralPAScholarshipFund@gmail.com or calling 814-942-4406
(FCS Treasurer Angela Fox also has copies: foxa@fcsliions.org)
- b. Return Joinder Agreement:
 - **Make sure your contact phone and/or email is legible**
 - **Make sure to write "Faith Christian School, Roseto"**
 - Fax to (814) 684-1061 OR
 - Email to CentralPAScholarshipFund@gmail.com OR
 - Mail to:
Central Pennsylvania Scholarship Fund
Attn: Tami Clark
227 Jefferson Ave.
Tyrone, PA 16686
(Questions? Contact Tami at 814-682-9035 or tami@cpsfcharity.org)

2. Make the Initial Donation/"Capital Contribution"

- a. The Central Pennsylvania Scholarship Fund (CPSF) will contact the donor by phone or email once it has received notification that it has been awarded the applied for tax credits and ask the donor to write the check for the initial capital contribution.
- b. Donor then submits their capital contribution within a 45 day window. If CPSF does not receive the check within this time frame, they will go to the next donor on the waiting list. *(According to the DCED, the SPE LLCs have only 60 days to collect all capital contributions from donors and deposit these funds into the Central Pennsylvania Scholarship Fund, so the donor must be prompt when responding to the request for donation.)*
- c. The Central Pennsylvania Scholarship Fund acknowledges receipt of the capital contribution from the donor by email or letter (due to the influx of donations in December, confirmation communications may experience some delays during this time).

3. What to Expect After the Donation

- a. The donor will receive the following tax documents related to their share in the Special Purpose Entity LLC the following February to mid-March:
 - PA Department of Revenue Form 1123 for the SPE: this verifies that the tax credit exists for the SPE, and the donor's personal portion has been transferred to their Tax ID or Social Security Number for PA income tax return filing purposes.
 - PA Schedule K-1 and federal Schedule K-1: indicate the donor's share in the SPE, to be used to file both sets of income tax returns.

- b. The school will receive 100% of the donor's contribution in January, which is available to be used for tuition assistance for qualifying families according to EITC financial need guidelines.

4. Make the Second Year's Donation/"Capital Contribution"

- a. The Central Pennsylvania Scholarship Fund will contact the donor when it receives notification that it has been awarded tax credits and request the donor's second capital contribution. Timing depends on the PA Department of Community and Economic Development (DCED) and varies from year to year – requests for renewal year donations have gone out as early as September (with a donation due date of October 15).
- b. The rest of the process for Year 2 is the same as Year 1.

5. Process in Year 3

- a. The process in Year 3 will mirror the process in Year 1. The donor will be asked by the Central Pennsylvania Scholarship Fund to sign a new two-year Joinder Agreement and make an initial capital contribution once the SPE LLC is awarded tax credits. The rest of the process will mirror Years 1 & 2.
- b. Therefore, donors will be asked for donations/capital contributions (initial or second) every year and to resign Joinder Agreements every other year.

***** Faith Christian School EITC SPE program contact: Angela Fox *foxa@fcslions.org* *****