



# Central Pennsylvania Scholarship Fund

## EITC Program Turns Personal Income Taxes into Needs Based Scholarship

The **Education Improvement Tax Credit** or **EITC** is a Pennsylvania State program that was established in 2001 which initially allowed only businesses to redirect their PA tax dollars and turn it into tuition assistance at private, K-12 schools in exchange for 90% PA state tax credits. It is now possible for individuals to claim the same tax credits on their personal income taxes using a Special Purpose Entity, described below. Additional federal deduction benefits may apply depending on the individuals tax situation.

Legislation passed in 2014 now permits **Special Purpose Entities** (SPE) to be established for the sole purpose of obtaining EITC and OSTC\* credits and pass them on to individual donors. Similar to a business, an SPE files an application with the PA Department of Community and Economic Development requesting tax credits. Once approved, the SPE distributes or "passes through" its approved credits to its individuals members on a first come first serve basis. **Central Pennsylvania Scholarship Fund** (CPSF) is a master operator of multiple SPE's.

With the scarcity of EITC credits available, individuals are encouraged to join SPEs associated with **Central PA Scholarship Fund** early during the year to hold their place in line. While tax credits are typically approved by the state sometime in the 3rd quarter, the program is over-subscribed, and credits "sell out" quickly. CPSF requires interested individuals to reserve tax credits on a first come first serve basis by filling out and submitting a simple one-page application form. An applicant will be approved providing the following conditions are met:

- 1. Applicant must be subject to Pennsylvania state income tax.**
- 2. Applicant must submit application form to CPSF before available credits are depleted.**
- 3. Applicant must agree to commit to a minimum of \$3,500 in PA credits per year.**

Snail mail or scan/email the one-page, application form to Randy Tarpey, Central Pennsylvania Scholarship Fund, 227 Jefferson Ave, Tyrone PA 16686 or [jeffwilsonsales@gmail.com](mailto:jeffwilsonsales@gmail.com). Once an individual receives SPE membership approval, which usually occurs sometime in the 3rd quarter, they will have 60 days to send in the donation check to Central PA Scholarship Fund. K-1 statements and associated documentation for the tax credits and federal deductions will be sent in February for the individual to file and submit with their taxes. If unexpectedly, the tax credits cannot be secured for the donor for any reason, the donation check will be returned.

Parents and supporters interested in this opportunity are encouraged to contact **Jeff Wilson** at 814-283-4338 or [jeffwilsonsales@gmail.com](mailto:jeffwilsonsales@gmail.com)

*\* EITC (Education Improvement Tax Credits) and OSTC (Opportunity Scholarship Tax Credits) are education tax credits awarded to Pennsylvania businesses and/ or Special Purpose Entities (SPE) that meet requirements established by the Department of Community and Economic Development. When an application for tax credits is approved, the tax credits are then donated by the business and/ or SPE directly to a Pennsylvania scholarship organization. The scholarship organization then distributes these donations to designated schools. Funds donated are for the sole purpose of student financial aid.*

IN WITNESS WHEREOF, the undersigned has executed this Joinder to Limited Liability Company Operating Agreement of MicroPlusPlus Investment Management, LLC as of the date set forth below next to the undersigned's signature.

IF AN INDIVIDUAL OR 2 INDIVIDUALS SIGNING JOINTLY:

IF A LEGAL ENTITY:

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print name of legal entity

\_\_\_\_\_  
Signature of person's whose name is printed above

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print name and title of authorized individual signing for entity

\_\_\_\_\_  
Signature of person's whose name is printed above

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Email address

\_\_\_\_\_  
Email address

\_\_\_\_\_  
Social Security #

\_\_\_\_\_  
Social Security #

\_\_\_\_\_  
EIN

AMOUNT OF INITIAL CAPITAL CONTRIBUTION  
(due upon acceptance):

AMOUNT OF SECOND CAPITAL CONTRIBUTION  
(due at Manager's request)

\$ \_\_\_\_\_

\$ \_\_\_\_\_

NOTE: Minimum of \$3,500 unless Manager determines otherwise

NOTE: Same amount as Initial Capital Contribution

**OPTIONAL:** Manager is to use my Capital Contributions for children attending the following EITC/OSTC qualified schools:

Name of School: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Name of School: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Name of School: \_\_\_\_\_ Amount \$ \_\_\_\_\_

IF THE ABOVE OPTIONAL DIRECTION IS LEFT BLANK, Capital Contributions will be regarded as undesignated by the Manager.

Randy Tarpey, in his capacity as Manager of the Company, hereby accepts this Joinder and admits the party or parties identified above as a Member of the Company as of the date set forth next to the signature below.

MicroPlusPlus Investment Management, LLC

DATE: \_\_\_\_\_

By: \_\_\_\_\_

Randy Tarpey, Manager

Make Check Payable to:  
Send Checks to:

MicroPlusPlus Investment Management, LLC  
Central Pennsylvania Scholarship Fund  
Attn: Tami Clark or Randy Tarpey  
227 Jefferson Avenue  
Tyrone, PA 16686