

Pennsylvania Scholarship Tax Credit Program

How scholarships are awarded – from application to scholarship support



1 Step 1: Business Applies

An eligible Pennsylvania business applies through DCED for EITC or OSTC tax credit approval before making a contribution.



2 Step 2: Approval Is Issued

If approved, the business receives a tax credit allocation and is authorized to contribute to an approved scholarship organization.

- Apply first
- Approval comes before donation



3 Step 3: Donation Is Made

The business contributes to an approved Scholarship Organization under EITC or an Opportunity Scholarship Organization under OSTC.

- EITC = Scholarship Organization
- OSTC = Opportunity Scholarship Organization



4 Step 4: Families Apply

Families submit scholarship applications to the approved organization, which reviews eligibility based on program rules and available funds.



5 Step 5: Scholarships Are Awarded

The organization awards scholarships to eligible students. Under OSTC, students must generally live in the attendance boundary of a low-achieving public school.

- Awards depend on eligibility
- Funding is limited
- Organization makes the award decision



6 Step 6: School Receives Support

Scholarship funds help cover tuition and eligible school-related costs at participating schools, helping students access educational opportunities.

Important Reminders



Businesses must apply first



Use approved organizations only



Scholarships depend on eligibility



Funding is limited



Business Applies



DCED Approval



Donation



Family Applies



Scholarship Awarded



Participating School