

Pennsylvania Scholarship Tax Credit Program

Donation workflow and how eligible business donors claim Pennsylvania tax credits



1 Step 1: Choose an Approved Organization

Select an approved EITC Scholarship Organization or an approved OSTC Opportunity Scholarship Organization before starting the credit process.



2 Step 2: Apply Through DCED

Apply through DCED's electronic application system before making the contribution. Credits are allocated first-come, first-served.

- Apply before donating
- Credits are limited



3 Step 3: Approval Is Issued

If approved, DCED issues a tax credit approval or allocation letter. Approval authorizes the business to make the contribution.

- Approval comes before donation
- Keep the approval letter



4 Step 4: Make the Contribution

Contribute to the approved organization after receiving approval. Eligible business donors generally receive a 75% credit for a 1-year commitment or 90% for a 2-year commitment.

- 75% credit = 1-year commitment
- 90% credit = 2-year commitment
- Up to \$750,000 annual credit



5 Step 5: Save the Receipt and Provide Proof

Keep the organization's donation receipt and provide proof of contribution to DCED. Contributions are generally made within 60 days of approval, with proof generally due within 90 days.

- Save the receipt
- Provide proof to DCED



6 Step 6: Claim the Tax Credit

Claim the approved Pennsylvania tax credit on the business tax return for the year of the contribution. Keep all records for your tax files.

Important Reminders



Businesses must apply first



Use approved organizations only



Save approval and receipt



Credits are limited



Approved Organization



Apply to DCED



Approval



Donation



Receipt / Proof



Claim PA Tax Credit