Next Steps

- Speak with your tax advisor to determine whether you are eligible to participate.
- Notify the Boys & Girls Clubs of Philadelphia that you intend to make an EITC gift.
- Request and return a joinder agreement from info@pataxcredits.org.
- Make your donation to the SPE designated in the joinder agreement.
- Claim your tax credit and federal deduction on your 2024 tax return.

In February 2025, Friends of Education will send the Form K-1 which will enable the donor to report the tax credit on their 2024 Pennsylvania state tax return.

Together, we can support education and help make a brighter future for Pennsylvania children. Friends of Education provides a platform for individuals to redirect a portion of their tax dollars from Harrisburg to the Boys & Girls Clubs of Philadelphia. Our special purpose entities make it easy for you to support education in a way that aligns with your values and interests.

Don't miss out on this opportunity to make a positive impact on education in Pennsylvania.

Visit https://pataxcredits.org/ or call (215) 315-4210 today to learn more and participate in the program.



Helps Donors Redirect Pennsylvania Tax Dollars to the Boys & Girls Clubs of Philadelphia





Do you want to redirect your Pennsylvania tax payment to support the Boys & Girls Clubs of Philadelphia? Pennsylvania's Educational Improvement Tax Credit ("ELTC") program permits donors to redirect 90% of their state income tax liability to an approved Educational Improvement Organization ("EIO"). An EIO is a not-for-profit organization registered with the Pennsylvania Department of Community and Economic Development, which provides educational programs, services, and initiatives that improve student achievement in Pennsylvania.

It costs a dime to give a dollar to the Boys & Girls of Philadelphia.

Benefits for PA Businesses and Individuals Who Enroll this Spring Will:



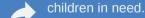
Receive a state tax credit of up to 90% of their contribution.



Receive a 10% itemized charitable deduction on their federal return.



Directly support public education through the Boys & Girls Clubs of Philadelphia. Encourage educational opportunities for



Eligibility Requirements:

- Donors must have Pennsylvania-source income.
- Donors must work for, own shares in, be a partner of, or be a member (owning an interest in an LLC) of a business which pays taxes in Pennsylvania.
- Donors must be current on all state and federal tax obligations.

At Friends of Education, we provide a simple and convenient way for individuals and businesses to participate in supporting education through special purpose entities. By enrolling, donors can redirect a portion of their tax dollars from Harrisburg to the Boys & Girls Clubs of Philadelphia. EITC dollars support programs and initiatives that make a real difference in the lives of children living in Pennsylvania.

- FAOs

Q:How does redirecting my taxes benefit children in Pennsylvania?

By directing tax dollars to an organization like Friends of Education, donors help financially challenged children in Pennsylvania access quality education, offering them a brighter future.

Q:What are the tax benefits to making an EITC-qualified gift?

By utilizing the EITC program, it costs very little to donate a lot. The following chart illustrates the highly leveraged tax benefits:

	Standard	EITC gift
Contribution	gift	(\$10,000)
PA state tax credit	(\$10,000)	\$9,000
Federal deduction (assumes 25% rate)	\$0	\$250
Out of pocket	(\$7,500)	(\$750)

Q:How does this program differ from the private school tax credit program?

The EIO program provides the same tax benefits

– the only difference is that the beneficiary is a
charity that provides education programming to
local school districts, not private schools.

O:How do I enroll?

Donors join a special purpose entity ("SPE"), which is a partnership. Donors join this SPE by executing a joinder agreement. Once enrolled, donors remit a payment to the designated SPE. Friends of Education will give 100% of the gift to the Boys & Girls of Philadelphia.

O:What if I am married?

Only one spouse should enroll, and the enrolling spouse must meet the eligibility requirements. The tax credit may be applied against the couple's joint Pennsylvania tax liability.

Q:Does Friends of Education have a minimum contribution?

Donors must make a gift of at least \$5,000 in 2024 and \$5,000 in 2025.

Q:What is the appropriate level of participation?

To maximize the leveraged nature of the program, individuals and businesses should participate in an amount equal to 110% of their Pennsylvania tax liability. This program is based on the applicant's Pennsylvania tax liability (or joint tax liability), not income; therefore, each taxpayer's situation will differ. Pennsylvania tax liability is reported on Form PA-40 Line 12. These credits are not refundable. That means if a donor gives more than 110% of its state tax liability, the donor will not receive a state tax benefit for any amount that exceeds the 110% threshold.

Donors should consult a tax professional prior to

Donors should consult a tax professional prior to participating.