

# Special Purpose Entities: An Innovative Expansion of the EITC Program

## Donate your tax Dollars to St. Stephen's Episcopal School!

### What is a Special Purpose Entity?

A Special Purpose Entity is a new class of pass-through partnership that exists solely to earn Educational Improvement (or Opportunity Scholarship) Tax Credits.

### Who can join Special Purpose Entities (SPEs)?

Individuals and legal entities - not limited to partners or shareholders - can earn tax credits through SPEs.

### Why are Special Purpose Entities of interest to small business owners?

SPEs allow individuals and small business owners to support local schools with their tax dollars without having to worry about filing annual tax credit applications with the PA DCED or file additional tax forms with PA Department of Revenue.

### Can anyone join a Special Purpose Entity?

No. Employees of sole proprietorships and non-profit organizations are not eligible to join SPEs. However, if you file jointly ONLY one of you needs to draw income from a for-profit company (That includes part time jobs or side businesses that are for profit entities)

### How can I support St. Stephen's Episcopal School by earning EITC tax credits through a Special Purpose Entity?

The Central PA SPE is currently accepting pre-orders from individuals who meet its investment requirements and can commit a minimum of \$3,000 annually for two consecutive years, that is an estimated family income of \$120,000 per year.

Additional benefits may be gained if the individual is subject to the federal Alternative Minimum Tax (AMT). Membership in a special purpose entity becomes an investment with a return of a tax credit.

The Central Pennsylvania Scholarship Fund is managed by Randy Tarpey and his team. They oversee and handle the partnership agreements and member compliance tax documentation and St. Stephen's Episcopal School receives member-designated contributions.

### For more information

Memberships in Central Pennsylvania Special Purpose Entity, LLC are available only until it has been fully subscribed. Please contact either of the following for details.

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