

# Faith Builders Special Purpose Entity

## A NEW WAY TO SUPPORT CHRISTIAN SCHOOLS!



Make a  
Contribution

Receive a  
Tax Credit

Eligible participants:

- Pennsylvania Businesses (LLC, partnership, or corporation)
- Employees of Pennsylvania Businesses
- Owners of Pennsylvania Businesses
- Stockholders

(over)

## Special Purpose Entity FAQ

### What is a Special Purpose Entity (SPE)?

A Special Purpose Entity is a pass-through partnership established solely for the purpose of making contributions to schools through Pennsylvania's Educational Improvement Tax Credit (EITC) program and distributing the tax credits received to its members.

### Who can join SPEs?

- Legal entities and individuals who are owners or employees of an LLC, partnership, or corporation (but not sole proprietorship)<sup>1</sup>
- Individuals who own stock in any public company registered to pay tax in Pennsylvania<sup>2</sup>

### What are the benefits of joining the SPE?

- Receiving 90% of your contribution as a Pennsylvania tax credit
- Being able to direct your contribution to a private Pennsylvania school
- Being able to contribute the amount desired as an individual rather than through business ownership percentage
- Being able to participate in the tax credit program if in a Pennsylvania business partnership with out-of-state business owners who can't benefit from the program

### How do I join the Faith Builders Special Entity?

- Commit to a minimum contribution of \$3,000<sup>3</sup>
- Commit to contributing the same amount for two consecutive years
- Contact Lucy Miller at 814-789-4518 ext. 245 or [SPE@fbep.org](mailto:SPE@fbep.org) for a joinder application.

### When do I need to send my contribution?

- First-year contribution sent at the time of approval of the joinder application
- Second-year contribution sent the following year within 30 days of notification by the SPE Coordinator

### Where do I send my contribution?

- Name on check: Faith Builders Special Entity
- Addressed to:
  - Lucy Miller  
Faith Builders Special Entity  
28527 Guys Mills Rd.  
Guys Mills, PA 16327

---

<sup>1</sup> Sole proprietors and their employees are not qualified **or** disqualified. They may qualify with either of the two methods mentioned under "Who can join SPEs?" even if the employee is the spouse of the individual and/or the employment is part time.

<sup>2</sup> A very easy way of meeting this requirement is to buy stock in PPL Corporation, a Pennsylvania-based utility company that has a direct stock purchase plan. However, owning shares of Apple or Wal-Mart stock (for example) would also be fine, since they are registered in Pennsylvania.

<sup>3</sup> If you make the minimum contribution of \$3,000, your 90% tax credit amount is \$2,700. In order to use the full tax credit, you would need to have approximately \$88,000 of Pennsylvania taxable income.