Thanks to Virginia’s Education Improvement Scholarships Tax Credits (EISTC) program, donations to approved foundations will provide scholarships for students from low-income families at non-public schools. Individual or business donors then receive a 65% tax credit.

The Catholic Diocese of Richmond’s McMahon Parater Scholarship Foundation is approved by the Virginia Department of Education to receive donations under this program. The Foundation distributes scholarships to qualifying students who attend one of the 30 Catholic schools in the Diocese.

**Receive a Virginia tax credit equal to 65% of your eligible contribution**

**MINIMUM DONATION FOR INDIVIDUALS**  $500  **MAX. ANNUAL DONATION FOR INDIVIDUALS & MARRIED COUPLES**  $125k  **MAXIMUM DONATION FOR BUSINESSES**  None

**SAVE ON STATE AND FEDERAL TAXES**

In addition to a 65% state tax credit, individuals and businesses may also receive a deduction for a charitable contribution, and therefore achieve tax savings in two ways:

1. **Deductions against taxable income as a charitable donation on both federal and state income taxes.**
   - The tax reduction equals 35% of the contribution amount times the tax rate of the applicable tax (federal or state)
   - Subject to rules governing deductibility of charitable contributions

2. **Credit against Virginia taxes.**
   - Tax reduction equals 65% of the amount of the donation
   - Credit is non-transferable

**BUSINESSES CAN CLAIM THE EISTC AGAINST:**

- Virginia Corporate Income Taxes
- Virginia Bank Franchise Tax
- Virginia Insurance Premiums License Tax
- Virginia Public Service Corporations Tax
- Personal Income Taxes via pass-through entities such as S-Corporations, LLCs and Partnerships.

The amount of the Tax Credits may not exceed the donor’s tax liability for the year in which the credit is claimed, but Tax Credits may be carried over for up to five succeeding years.

**CONTACT DEVELOPMENT COORDINATOR**

**JACKIE ANKLEY AT 757-428-8400 OR JACKIE.ANKLEY@SOSSCHOOL.ORG**

Star of the Sea Catholic School
309 15th Street
Virginia Beach, VA 23451
sosschool.org
ELIGIBILITY
Who benefits?
Children receiving these scholarships must come from families whose annual household income is less than 300% of the current poverty guidelines.
For children with disabilities and a current Individualized Education Program, (I.E.P.), the family’s household income must be no more than 400% of the current poverty guidelines.
In addition, the children must be residents of Virginia, and fit one of these criteria:

- Eligible to enter kindergarten or first grade
- Attended a Commonwealth public school for at least half of the current or prior school year
- Were not Virginia residents during the preceding school year
- Were prior recipients of a scholarship under this program

ADMINISTRATIVE COSTS
By statute, at least 90% of your donation must be used to provide scholarships.
The McMahon Parater Scholarship Foundation distributes 91.1% of each donation in scholarships. Every effort will be made to minimize the administrative costs, in order to provide the maximum in scholarship support.