



TAXPAYER ANNUAL LOCAL EARNED INCOME TAX RETURN Allegheny County Southwest Tax Collection District (73)

JORDAN TAX SERVICE, INC. 7100 BAPTIST RD BETHEL PARK PA 15102-3908 (412) 345-7966



You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local taxes. Contact your Tax Officer.

If you have relocated during the tax year, please supply additional information. A separate final is required for each resident psd code. Tax Year [ ]

Table with 5 columns: DATES LIVING AT EACH ADDRESS, STREET ADDRESS (No PO Box, RD or RR), CITY OR POST OFFICE, STATE, ZIP

Form fields for personal information: LAST NAME, FIRST NAME, MIDDLE INITIAL; SPOUSE'S LAST NAME, FIRST NAME, MIDDLE INITIAL; STREET ADDRESS; SECOND LINE OF ADDRESS; CITY; STATE; ZIP CODE; DAYTIME PHONE NUMBER; RESIDENT PSD CODE (73); EXTENSION; AMENDED RETURN; NON-RESIDENT

Form fields for Social Security numbers and marital status. Includes instructions: 'The calculations reported in the first column MUST pertain to the name printed in the column, regardless of whether the husband or wife appears first. Combining income is NOT permitted. ONLY USE BLACK OR BLUE INK TO COMPLETE THIS FORM'.

Table with 3 columns: Description of tax item, Amount, and Total. Rows include Gross Compensation, Unreimbursed Expenses, Total Taxable Earned Income, Net Profit, Total Tax Liability, and EARNED INCOME TAX BALANCE DUE.

Declaration and signature section: Under penalties of perjury, I (we) declare that I (we) have examined this information... YOUR SIGNATURE, SPOUSE'S SIGNATURE, DATE, PREPARER'S PRINTED NAME & SIGNATURE, PHONE NUMBER.



# TAXPAYER ANNUAL LOCAL EARNED INCOME TAX RETURN

## INSTRUCTIONS

### A. General Instructions

1. **WHEN TO FILE:** This return must be completed and filed by all persons subject to the tax on or before April 15 (unless the 15th is a Saturday or Sunday then file the next business day), regardless of whether or not tax is due. If you file a Federal or State Application for Extension, check the extension box on the front of the form and send this form along with your estimated payment by April 15, unless the 15th is a Saturday or Sunday, then by the next business day. If you use a professional tax preparer, confirm that they will submit your final return for you.
2. **WHERE TO FILE:** Remit to the local earned income tax collector for every tax collection district in which you lived during the year.
3. **EFFECTIVE DATES:** January 1 through December 31, unless otherwise noted on your local earned income tax return.
4. **AMENDED RETURN:** If a taxpayer amends his federal income tax return, an amended local earned income tax return must also be filed with the local earned income tax collector.
5. **RECEIPT / COPY:** Your cancelled check is sufficient proof of payment.
6. **PENALTY AND INTEREST:** If for any reason the tax is not paid when due, penalty and interest will be charged. Any late, incorrect filing or payment may result in additional costs of collection.
7. **ROUND OFF CENTS** to the nearest whole dollar. Do not include amounts under 50 cents. Increase amounts from 50 to 99 cents to the next dollar amount.
8. **USE BLACK OR BLUE INK ONLY WHEN COMPLETING THIS FORM.**

### B. Regulations/Line by Line Instructions

#### LINE 1: GROSS EARNINGS FOR SERVICES RENDERED

**Documentation Required:** W-2(S) must be enclosed (legible photocopies are accepted).

**TAXABLE INCOME INCLUDES:** Salaries, Wages, Commissions, Bonuses, Tips, Stipends, Fees, Incentive Payments, Employee Contributions to Retirement Accounts, Compensation Drawing Accounts (If amounts received as a drawing account exceed the salaries or commission earned, the tax is payable on the amounts received. If the employee subsequently repays to the employer any amounts not in fact earned, the tax shall be adjusted accordingly.). Benefits Accruing from Employment, such as: Annual Leave, Vacation, Holiday, Separation, Sabbatical Leave, Compensation Received in the Form of Property shall be taxed at its fair market value at the time of receipt, Jury Duty Pay, Payments Received from Weekend Meetings for National Guard or Reserve Units, Sick Pay (if employee received a regular salary during period of sickness or disability by virtue of his agreement of employment), and Taxes Assumed by the Employer. Taxpayer should refer to the PA Department of Revenue regulations regarding taxable compensation. This list is not exhaustive; contact your local earned income tax collector if you have any questions.

**NON-TAXABLE INCOME INCLUDES:** Social Security Benefits, Unemployment Compensation, Pensions, Public Assistance, Death Benefits, Gifts, Interest, Dividends, Boarding and Lodging to Employees for Convenience of Employer, Lottery Winnings, Supplementary Unemployment Benefits (sub pay), Capital Gains (Capital losses may not be used as a deduction against other taxable income.), Disability Benefits (periodical payments received by an individual under a disability insurance plan), Active Military Service outside of PA and Summer Encampment, Personal Use of Company Cars, Cafeteria Plans, and Clergy Housing Allowance. Some forms of payments from Individual Retirement Programs, such as Keogh, Tax Shelter Annuity, IRA, and 401K are not taxable. Taxpayer should refer to the PA Department of Revenue regulations regarding taxable compensation. This list is not exhaustive; contact your local earned income tax collector if you have any questions.

#### LINE 2: ALLOWABLE EMPLOYEE BUSINESS EXPENSES

**Documentation Required:** Pennsylvania form PA-UE must be enclosed (legible photocopies are accepted).

**LINE 3: OTHER TAXABLE EARNED INCOME:** Include income, from work or services performed, which has not been included on line 1 or line 5. Do not include interest, dividends or capital gains.

**LINE 4: TOTAL TAXABLE EARNED INCOME:** Subtract line 2 from line 1 and add line 3.

**LINES 5 & 6: NET PROFITS/NET LOSSES FROM BUSINESS:** Use line 5 for profit and line 6 for loss.

**Documentation Required:** 1099(s), PA schedules C, E, F, or K-1 must be enclosed (legible photocopies are accepted).

**Rule:** A taxpayer may NOT offset a business loss against wages and other compensation (W-2 earnings -- line 1). "Pass-through" income from an S-Corporation is NOT taxable and loss is not deductible. A taxpayer may offset a loss from one business entity against a net profit from another business entity.

- LINE 7: TOTAL TAXABLE NET PROFIT:** Subtract line 6 from line 5; if less than zero, enter zero.
- LINE 8: TOTAL TAXABLE EARNED INCOME AND NET PROFIT:** Add lines 4 & 7.
- LINE 9: TAX LIABILITY:** Multiply line 8 by your local earned income tax rate. If you don't know your rate, contact your local earned income tax collector where you live or visit [www.newPA.com](http://www.newPA.com) to find your rate.
- LINE 10: EARNED INCOME TAX WITHHELD:** You may claim credit for local tax withheld as shown on your W-2 form, but only up to the rate of tax printed on line 9 of the tax return. Do not claim entire amount of tax withheld if it is greater than the tax rate for your resident taxing jurisdiction, unless it also exceeds the non-resident tax rate where you work.
- LINE 11: QUARTERLY ESTIMATED PAYMENTS/CREDITS FROM PREVIOUS TAX YEAR:** : List any quarterly estimated payments made to date for appropriate filing year. Do not include any penalty and interest amounts that may have been made with the quarterly payments. Also, include tax credit from the previous tax year.

**LINE 12: MISCELLANEOUS CREDITS**

**General Rules Applicable to All Line 12 Credits:**

- (1) Credits for income taxes paid to other states must first be used against your Pennsylvania state income tax liability; any credit remaining thereafter may be used against your local earned income tax liability.
- (2) Credits for income taxes paid to political subdivisions located outside of Pennsylvania or for wage taxes paid to Philadelphia may be taken directly against your local earned income tax liability.
- (3) In calculating your credit for income taxes paid to another state or to a political subdivision, note that the same items of income must be subject to both your local earned income tax and the out-of state tax.
- (4) **No credit for income taxes paid to another state or political subdivision may exceed your total local earned income tax liability.**

**Credit for Taxes Paid to Other States:** You may take a credit based upon the gross earnings taxed both in another state and in Pennsylvania that is in excess of Pennsylvania state personal income tax rate. **THIS CREDIT WILL BE DISALLOWED IF THE NON-RESIDENT OR FOREIGN US STATE RETURN AND YOUR W-2 FORM SHOWING STATE INCOME TAX WITHHELD IS NOT PROVIDED.**

**No credits are given for state income taxes paid to states that reciprocate with the Commonwealth of Pennsylvania. These states are: Maryland, New Jersey, Ohio, Virginia, West Virginia and Indiana.**

**Example:** Taxpayer earned wages of \$10,000.00 in Delaware and paid an income tax liability to that state of \$317.00. Assuming the current Pennsylvania state tax rate is 3.07% for the tax year in question, since the \$317.00 exceeds 3.07% (PA Tax) amount of \$307.00 by \$10.00, the \$10.00 may be credited against your local income tax.

Gross Income . . . . .	(1)	\$10,000.00
Local Tax 1% x .01 . . . . .		<u>x.01</u>
	(2)	100.00
Tax paid to Delaware . . . . .	(3)	317.00
PA Income Tax (3.07% x \$10,000.00) . . . . .	(4)	307.00
Credit to be used against Local Tax (Line 3 minus Line 4)		
On Line 12 of the tax return, enter this amount . . . . .	(5)	10.00
or the amount on Line 2 of worksheet, whichever is less		

If all your wages or gross earnings are subject to Delaware State Income Tax (not PA), use the above example to calculate your tax obligation. If you had earned income NOT taxed by Delaware, this income would be subject to the earned income tax effective where you live and must be shown separately on the Local Earned Income Tax Return.

**Credit for Taxes Paid to Political Subdivisions Outside of Pennsylvania:** You may take a credit based upon the gross earnings taxed in both another political subdivision and where you live in Pennsylvania. **THIS CREDIT WILL BE DISALLOWED IF THE FOREIGN CITY RETURN AND OR YOUR W-2 FORM SHOWING CITY INCOME TAX WITHHELD IS NOT PROVIDED.**

**Credit for Taxes to Philadelphia:** You may use any wage tax paid to Philadelphia as a credit toward your local earned income tax liability. You must complete the Local Earned Income Tax Return. **A COPY OF YOUR W-2 AND/OR VERIFICATION OF TAXES PAID MUST BE ENCLOSED WITH THE FORM OR CREDIT WILL BE DISALLOWED.** No refunds or credits will be allowed for any overpayment made to Philadelphia. On line 12 of the tax return, enter the amount of Philadelphia wage tax paid.

**LINE 13: TOTAL PAYMENTS AND CREDITS:** Enter the sum of lines 10, 11 & 12.

**LINE 14: REFUND:** If tax (line 9) is less than your credits (line 13), enter amount of refund. If you have an overpayment of taxes in excess of \$1.00, you may elect to receive a refund or take same as credit against the next year's tax liability. A 1099 will be issued to the Federal Government for any credit or refund in excess of \$10.00.

**LINE 15: CREDIT:** If tax (line 9) is less than your credits (line 13) enter amount of credit and check the applicable box for credit to spouse or credit to next year. A 1099 will be issued to the Federal Government for any credit or refund in excess of \$10.00.

**LINE 16: AMOUNT OF TAX DUE:** If tax (line 9) is larger than your credits (line 13), enter amount of tax due, if less than \$1.00, ENTER ZERO.

**LINE 17 & 18: INTEREST AND PENALTIES:** If for any reason the tax is not paid when due, interest and penalty of the unpaid tax for each month shall be added and collected. Returns received after the due date may be charged additional costs of collection.

**LINE 19: TOTAL AMOUNT DUE:** The sum of lines 16, 17 & 18. OMIT IF LESS THAN \$1.00.

**Note:** All accounts are subject to audit and review. Local or city copy of W-2 and/or supporting schedules must be enclosed with tax return.

(Legible photocopies of W-2s and schedules are accepted).

Allegheny County CENTRAL Tax Collection District Resident PSD Codes and Tax Rates		
PSD CODE	TAX ENTITY NAME	TAX RATE
700101	MOUNT OLIVER BORO	3.00
700102	PITTSBURGH CITY	3.00

Allegheny County SOUTHWEST Tax Collection District Resident PSD Codes and Tax Rates		
PSD CODE	TAX ENTITY NAME	TAX RATE
730101	BALDWIN BORO	1.00
730102	BALDWIN TWP	1.00
730103	PLEASANT HILLS (BWSD)	1.00
730104	WHITEHALL BORO	1.50
730105	PITTSBURGH CITY (BWSD)	1.50
730201	BETHEL PARK BORO	1.40
730202	CASTLE SHANNON (BPSD)	1.00
730301	BRENTWOOD BORO	1.00
730401	CARNEGIE BORO	1.00
730402	CRAFTON BORO	1.00
730403	ROSSLYN FARMS BORO	1.00
730501	BRIDGEVILLE BORO	1.00
730502	COLLIER TWP	1.00
730503	HEIDELBERG BORO	1.00
730504	SCOTT TWP	1.00

Allegheny County SOUTHWEST Tax Collection District Resident PSD Codes and Tax Rates		
PSD CODE	TAX ENTITY NAME	TAX RATE
730601	CLAIRTON CITY	1.50
730701	CORAOPOLIS BORO	1.00
730702	NEVILLE TWP	1.00
730801	DUQUESNE CITY	1.65
730901	CASTLE SHANNON (KOSD)	1.00
730902	DORMONT BORO	1.00
730903	GREEN TREE BORO	1.00
731001	INGRAM BORO	1.00
731002	KENNEDY TWP	1.00
731003	PENNSBURY VILLAGE BORO	1.00
731004	ROBINSON TWP	1.00
731005	THORNBURG BORO	1.00
731101	CRESCENT TWP	1.00
731102	MOON TWP	1.00
731201	MT LEBANON TWP	1.30
731301	SOUTH FAYETTE TWP	1.00
731401	SOUTH PARK TWP	1.00
731501	HOMESTEAD BORO	1.00
731502	MUNHALL BORO	1.00
731503	WEST HOMESTEAD BORO	1.00
731601	MCKEES ROCKS BORO	1.00

Allegheny County SOUTHWEST Tax Collection District Resident PSD Codes and Tax Rates		
PSD CODE	TAX ENTITY NAME	TAX RATE
731602	STOWE TWP	1.00
731701	UPPER ST CLAIR TWP	1.30
731801	FINDLAY TWP	1.00
731802	NORTH FAYETTE TWP	1.00
731803	OAKDALE BORO	1.00
731901	JEFFERSON HILLS BORO	1.00
731902	PLEASANT HILLS (WJHSD)	1.00
731903	WEST ELIZABETH BORO	1.00
732001	WEST MIFFLIN BORO	1.00
732002	WHITAKER BORO	1.00