

FRANKLIN COUNTY AREA TAX BUREAU

443 STANLEY AVE, CHAMBERSBURG PA 17201-3600

(717) 263-5141

Website: fcatb.org

Dear Taxpayer(s):

This letter includes the instructions for your **2020** annual **Form 531 Local Earned Income and Net Profits Tax Return**. This letter, including instructions, and applicable tax forms are also available at our website, www.fcatb.org. The back of this letter (page 2) is a *Taxpayer's Copy/Worksheet* version of the return for you to use before completing and submitting the *Original/Tax Office Copy*. Pages 3 and 4 of this letter include line-by-line and general instructions for completing the return.

Please remember:

- **Tax Bureau personnel will not complete tax returns for you.** Your tax return must be completed prior to submitting it to the Tax Bureau. Attach a copy of all W-2 forms and/or schedules and explanations to the return before submitting the return. Incomplete returns requiring follow-up may be assessed an *Incomplete Return* fee.
- **State law requires that all figures on your tax return be rounded.** See *ROUNDING OFF TO WHOLE DOLLARS* in these instructions.
- **Form 531 Local Earned Income and Net Profits Tax Return has two reporting columns so that spouses may file on one return and still keep their incomes separate as required under Pennsylvania's local tax law.** Married couples receiving separate returns are encouraged to switch to a single return by simply transferring the preprinted information from one return to the other and using the second column to report the spouse's income. Do not report anyone other than your spouse in the second column. If other members of your household had taxable income and did not receive a form, please contact us.
- **Earned income and net profits that you report for Pennsylvania State tax purposes should be reported for local tax purposes with few exceptions which are covered in the instructions.** Other "unearned" classes of income taxed by the state, such as interest and dividends, are not taxed locally. Report all earned income and net profits regardless of where you worked. We do a match with the PA Department of Revenue to compare the figures you report on line 1, line 4, and line 8 of your return with the figures you reported as Compensation or Net Profits to the state. To avoid follow-up correspondence from the Tax Bureau, please attach a detailed explanation of any difference between what you reported to the state as Compensation and Net Profits and what you are reporting to us. Enter the total of the differences on Line 9.
- **If you moved during the tax year and have to file a local tax return with more than one tax bureau, the law requires that you prorate your income in full month increments.** See *IF YOU MOVED* on the last page of these instructions.
- **All taxpayers who received taxable income not subject to withholding and owed \$100.00 or more in non-withheld tax were required to make quarterly estimated tax payments.** This often applies if you worked out-of-state or you were self-employed. If you were required to do so and failed to make the required payments, you will owe interest and penalty. See the instructions for Line 20 of your return.
- **If submitting your return to the Tax Bureau by mail, please use the appropriate mailing label* or indicate "Refund", "Payment" or "No Payment / No Refund" on the envelope.** (Spouses filing on the same return should indicate "Refund" if either spouse has a refund or "Payment" if one spouse has a payment while the other spouse has no payment / no refund.) This helps us process your return more efficiently. Securely seal your envelope and affix correct postage. *If you received a tax return packet in the mail, a set of return mailing labels was enclosed.
- **At the time that these instructions were written, the Tax Bureau hours are as follows. The drive-thru is open 8:00 am – 4:00 pm, Monday – Friday. The lobby is open 8:00 am – 3:00 pm, Monday – Friday except for Tuesdays when the lobby serves the *At-Risk Population* between 8:00 am and 9:00 am opening to the general population at 9:00 am.** Current hours of operation are posted at our website, www.fcatb.org, and/or on the office door. Please utilize the drive-thru only for Brief transactions not involving cash and any other brief transactions not requiring a receipt. Please utilize the counter for any cash transactions or any transactions requiring a receipt or lengthy transactions.

When the office is closed, there is a drop-box available by the office door; please place anything that you will be depositing in the drop-box in a securely sealed envelope before depositing the envelope in the drop-box.

The Tax Bureau is located at the east end of the Chambersburg Area School District's Administration Building.

- **If you work anywhere in Pennsylvania, your employer must withhold your local tax at the correct tax rate.** For taxpayers living within our collection area, that rate would be either 1.7% if you reside in the Chambersburg Area School District or 1% if you reside elsewhere in our collection area. If your employer is not withholding the correct amount, contact your payroll department immediately to correct the withholding amount.

If you still have questions after carefully reading these instructions, please contact us, and we will be happy to assist you.

Respectfully,

The Franklin County Area Tax Bureau Team

DISCLOSURE STATEMENT

You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local taxes by calling Franklin County Area Tax Bureau at 717-263-5141 during the hours of 8:00 am and 4:00 pm, Monday thru Friday.

NOTICE TO DISABLED PERSONS

Auxiliary aids and/or other special assistance will be provided if you contact the Tax Bureau in advance to make an appointment for your visit.

RETURN BY APRIL 15, 2021 TO:
FRANKLIN COUNTY AREA TAX BUREAU
 443 STANLEY AVE
 CHAMBERSBURG, PA 17201-3600
 PHONE (717) 263-5141
 Drive-Thru Hours: 8:00 am – 4:00 pm, Mon. – Fri.
 Lobby Hours: 8:00 am – 3:00 pm, Mon. – Fri.
Website: fcatb.org

TO CONSTITUTE PROOF OF FILING, THE TAXPAYER MUST HAVE A VALIDATED RECEIPT FROM THE TAX OFFICE. TO OBTAIN A RECEIPT BY MAIL, INCLUDE A SELF-ADDRESSED, STAMPED ENVELOPE WHEN FILING.

LOCAL EARNED INCOME AND NET PROFITS TAX RETURN (FORM 531)
2020

DO NOT WRITE IN ABOVE AREA – TAX OFFICE USE ONLY

TYPE OR PRINT INFORMATION BELOW. IF PREPRINTED, CHECK FOR ACCURACY AND MAKE CORRECTIONS WHERE NECESSARY. SPOUSE'S NAME, SIGNATURE, AND OTHER INFORMATION SHOULD BE PROVIDED ONLY IF HE OR SHE IS ALSO FILING ON THIS FORM.

BOTH SPOUSES MAY FILE ON THIS FORM. HOWEVER, TAX CALCULATIONS MUST BE REPORTED IN SEPARATE COLUMNS. JOINT FILING (COMBINING INCOME, ETC.) IS NOT PERMITTED.

YOUR RESIDENT MUNICIPALITY (TOWNSHIP OR BOROUGH):

Name and Current Address

DID YOU MOVE BETWEEN JAN 1, 2020 AND THE PRESENT?
 YES NO IF YES, COMPLETE SECTIONS A & C ON THE BACK OF ORIGINAL

TAXPAYER'S NAME	SPOUSE'S NAME
TAXPAYER'S SS#	SPOUSE'S SS#

1	W-2 EARNINGS – COMPENSATION (From attached W-2's)	1		
2	EMPLOYEE BUSINESS EXPENSES – EBE's (Attach PA UE and Federal 2106 if used)	2		
3	TAXABLE W-2 EARNINGS – COMPENSATION LESS EBE's (Subtract Line 2 from Line 1)	3		
4	OTHER TAXABLE EARNED INCOME – FROM SECTION B ON BACK (NO INTEREST OR DIVIDENDS)	4		
5	TOTAL TAXABLE EARNED INCOME – COMPENSATION (Add Lines 3 and 4)	5		
6	NET PROFIT(S) FROM BUSINESS, PROFESSION, OR FARM (ATTACH PA SCHEDULES C, F, RK-1)	6		
7	NET LOSS(ES) FROM BUSINESS, PROFESSION, OR FARM (ATTACH PA SCHEDULES C, F, RK-1)	7		
8	TAXABLE PROFITS – (Subtract Line 7 from Line 6 – IF LESS THAN ZERO, ENTER ZERO)	8		
9	SUBCHAPTER S AND OTHER NON-TAXABLE PASSIVE INCOME: (ATTACH PA RK-1'S, ETC.) <small>ENTER PASSIVE BUSINESS, PROFESSION, OR FARM INCOME AS REPORTED ON YOUR PA-40 RETURN.</small>	9		
10	TOTAL TAXABLE EARNED INCOME AND NET PROFITS (Add Lines 5 and 8)	10		
11	*TAX RATE Chambersburg Area S D Residents (1.7%) Enter .017 All Other School District Residents (1%) Enter .01 <small>If you moved from one tax rate area to another during the year, complete a Schedule X to determine rate to enter.</small>	11		
12	TAX LIABILITY: (Multiply Line 10 by Line 11)	12		
13	TOTAL LOCAL INCOME TAXES WITHHELD EXCEPT PHILADELPHIA INCOME TAX (FROM ATTACHED W-2's)	13		
14	QUARTERLY PAYMENTS AND/OR LAST YEAR'S OVERPAYMENT CREDITED TO THIS YEAR	14		
15	CREDIT FOR TAXES PAID TO PHILADELPHIA AND/OR STATES OTHER THAN PA (ATTACH LOCAL SCHEDULE G)	15		
16	TOTAL WITHHOLDINGS, PAYMENTS, AND CREDITS (Add Lines 13, 14 and 15)	16		
17	TAX BALANCE DUE IF LINE 12 IS GREATER THAN LINE 16 (Subtract Line 16 from Line 12)	17		
18	INTEREST & PENALTY IF PAID AFTER DUE DATE (SEE INSTRUCTIONS)	18		
19	LATE FILING FEE – ENTER \$10.00 AFTER DUE DATE (\$20.00 AFTER DEC 31 of year due)	19		
20	QUARTERLY INTEREST & PENALTY (SEE INSTRUCTIONS)	20		
21	TOTAL DUE (Add Lines 17, 18, 19 and 20.) Make check payable to "FCATB" <small>IF \$1.00 OR LESS, ENTER ZERO</small>	21		
	If Line 21 was paid by credit/debit card, enter <i>Official Payments Corp.</i> confirmation number(s) here		#	#
22	OVERPAYMENT IF LINE 16 IS GREATER THAN LINE 12 (Subtract Line 12 from Line 16 – IF \$1.00 OR LESS, ENTER ZERO)	22		
23	AMOUNT OF LINE 22 TO BE REFUNDED	23		
	DIRECT DEPOSIT INFORMATION FOR REFUND			
	Taxpayer 'A', 'B', OR 'BOTH'	'Savings' or 'Checking' Account	ROUTING NUMBER	ACCOUNT NUMBER
24	AMOUNT OF LINE 22 TO BE CREDITED TO NEXT YEAR'S TAX	24		
25	AMOUNT OF LINE 22 TO BE CREDITED TO SPOUSE'S BALANCE DUE AT LINE 21	25		

I DECLARE UNDER PENALTIES PROVIDED BY LAW, THAT THIS RETURN IS TRUE, COMPLETE AND CORRECT.

YOUR SIGNATURE	DATE	OCCUPATION	DAYTIME PHONE
SPOUSE'S SIGNATURE	DATE	OCCUPATION	DAYTIME PHONE

PAID PREPARER'S NAME (PLEASE PRINT)	PAID PREPARER'S EIN	PAID PREPARER'S PHONE	TAXPAYER'S COPY / WORKSHEET
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LINE-BY-LINE INSTRUCTIONS FOR COMPLETING FORM 531 LOCAL EARNED INCOME AND NET PROFITS TAX RETURN
(General information and instructions are printed on the reverse side of this sheet)

LINE 1 – Enter total of W-2 wages earned while a resident of one or more “MEMBER MUNICIPALITIES” (see the reverse side of the return). One copy of all W-2’s must be submitted with your return. W-2 income should be prorated to where taxpayer lived when the income was earned. If you lived in different taxing jurisdictions during the tax year, complete Sections “A” and “C” on the reverse of the TAX BUREAU’S COPY of the return. This will help prorate your income.

If the employer completed your W-2 form correctly, you should use the “Local Wages” shown in Box 18 of the W-2 form. If your local wage box does not include your 401(k), 403(b) contributions, bonuses or other incentive payments, reimbursed moving expenses, or unaccounted for or excess business expense reimbursements, they should be added to arrive at your correct local wages. If the wages shown in the federal and/or Medicare wage boxes are higher and cannot be accounted for and reconciled by Box 12 and/or 14 as non-taxable items for state and/or local tax, the higher figure should be used. (Some items that may account for legitimate differences are the cost of group term life insurance for coverage in excess of \$50,000, 3rd Party Sick Pay, or prorated local and/or state wages if you moved during the tax year.) If you cannot account for differences in the various wage boxes on your W-2, you should ask your employer to explain the differences and provide you with a statement to attach with your return.

LINE 2 – (Note: Report any excess reimbursement of allowable employee business expenses on Line 4.) We will accept the Pennsylvania Individual Income Tax regulations for allowable employee business expenses. You cannot deduct personal expenses or expenses that you incur for your own convenience. If your employer requires you, as a condition of your employment, to incur business expenses out of your own pocket, they are likely deductible. Expenses claimed must be explained in detail giving as a minimum the information requested on the appropriate PA UE Schedule and the IRS Form 2106 when used to back up figures on the PA UE. Copies of these supporting schedules are sufficient. A separate schedule must be used for each spouse and for each job. Expenses from one job may not be used to reduce compensation from another job. **EXPENSES TAKEN WITHOUT PROPER SUPPORTING DOCUMENTATION WILL BE SYSTEMATICALLY DENIED WITHOUT NOTIFICATION TO THE TAXPAYER.** Records must be available for verification. Estimates will not be accepted.

Examples of expenses that can be deducted are union dues, professional fees and licenses required as a condition of employment, cost and upkeep of work clothing provided they are not suitable for everyday use and they are required as a condition of employment, cost of small tools required but not provided by employer, non-commuting business transportation, away from home overnight expense, and office-in-home, moving, and education expenses when required as a condition of employment. Educator expense shall be limited to \$250 unless accompanied by a letter from your employer requiring the expense as a condition of employment.

Examples of expenses that cannot be deducted include “on call” telephone, travel to and from work, travel from union hall to work assignments, child care, medical expenses, charitable contributions, personal expenses, taxes, interest, subscriptions to publications, dues to professional or fraternal societies, Chambers of Commerce, or recreational club memberships, and insurance, IRA, annuity and pension plan payments. For additional information, see the PA 40 instructions and regulations.

LINE 3 – Subtract Line 2 from Line 1 to arrive at taxable W-2 earnings.

LINE 4 – Enter the total of other taxable earned income as detailed on back of TAX BUREAU’S COPY of return (Section B). Use this line to report tips not included in W-2 wages, excess reimbursements of employee business expenses, fees (e.g., director’s, executor’s and trustee’s fees), work related rewards and prizes, taxable premature distributions from retirement plans, and any other earned income not reported elsewhere on the return.

LINE 5 – Enter the total of Lines 3 and 4. This is your total taxable earned income.

LINE 6 – Enter the total of any net profits you incurred from your business, and/or profession, and/or farm activities, including limited liability companies and limited liability partnerships.

LINE 7 – Enter the total of any net losses you incurred from your business, and/or profession, and/or farm activities, including limited liability companies and limited liability partnerships.

LINE 8 – Subtract Line 7 from Line 6 to arrive at taxable profits.

LINE 9 – Report any Subchapter S or other “passive” profits or losses reported on your state tax return that are not taxable on your local return. Attach documentation to explain the nature of the profits and/or losses. This is needed when we compare local and state income reporting and for auditing purposes. If you did not receive a W-2 form representing fair compensation for the services you provided to a Subchapter S corporation, 100% of the pass-thru profits shall be subject to tax.

LINE 10 – Enter the total of Lines 5 and 8. This is your total taxable earned income and net profits.

LINE 11 – If you are only reporting income you earned while residing in the Chambersburg Area School District, enter 1.7% (.017). If you are only reporting income you earned while residing in Fannett Metal School District and/or Greencastle-Antrim School District and/or Tuscarora School District and/or Waynesboro Area School District, enter 1% (.01) on Line 11. If you moved between Chambersburg Area School District and one of the other school districts in our collection area during the tax year, complete a SCHEDULE X to determine the tax rate to enter on Line 11. Attach the Schedule X to your return.

LINE 12 – Multiply Line 10 by Line 11 to determine your tax liability.

LINE 13 – Enter the total (or prorated portion if partial year resident) of all Pennsylvania local tax withheld found in Box 19 of your W-2’s. Use Line 15 to report credit for tax paid to the City of Philadelphia or other state’s political subdivisions.

LINE 14 – Enter the total of all quarterly tax payments you made directly to this bureau for the filing tax year only. Also add in any overpayment from the previous tax year credited to this tax year.

LINE 15 – If you were legally liable for and paid taxes on net profits and/or compensation to Philadelphia or any state other than Pennsylvania, and the same net profits and/or compensation is also taxable on your local Franklin County Area Tax Bureau resident return, you may be entitled to take a credit (against your local tax liability) for all or a portion of the taxes paid elsewhere. Please contact our bureau and request a Local Schedule G. Local Schedule G provides specific instructions and a worksheet to determine whether you are entitled to any such credit.

LINE 16 – Enter the total of Lines 13, 14 and 15. This is the total of your withholdings, credits and direct payments to be applied against your tax liability.

LINE 17 – If Line 12 is larger than Line 16, subtract Line 16 from Line 12 and enter the result. In all other cases enter zero (0). If Line 17 is \$1.00 or less, you need not make any payment. However, you still must file a return.

LINE 18 – If for any reason the tax is not paid when due, interest at a rate established annually by the Commonwealth of Pennsylvania under Section 806 of the Fiscal Code, and an additional penalty of 1% for each month or fraction thereof during which the tax remains unpaid shall be added and collected. If you are unsure of the amount of interest and penalty, if any, that applies to you, contact our bureau.

LINE 19 – If you are filing your return after the due date and you did not file a local extension and pay all tax due by the due date, enter \$10.00. If both spouses file on this form, each would owe the late fee. This fee is also assessed if your return is incomplete after the due date. The late fee increases to \$20.00 if you do not file before the end of the year the tax return is due.

LINE 20 – If you are reporting a Tax Balance Due on Line 17, you may owe quarterly interest and penalty. If your non-withheld tax liability was greater than \$100.00, you were required to make quarterly estimated payments using Form 521. To determine if you owe quarterly interest and penalty, and how much, a calculator is available on our website or you may contact the tax bureau for assistance in calculating any quarterly interest and penalty you may owe.

LINE 21 – Enter the total of Lines 17, 18, 19 and 20. This is your total balance due. This balance due must be paid in full when filing your return. Make checks payable to “FCATB” (Franklin County Area Tax Bureau). Place the last 4 digits of your social security number(s) on your check along with the notation “Form 531 - Tax Year 20xx”. You may pay by credit or debit card by going online to www.officialpayments.com, or by calling 1-800-272-9829. Credit or debit card payments by phone require a 4-digit jurisdiction code. Our jurisdiction code is 4844. You will be charged a service fee of 3.15% (\$1.05 minimum) to pay this way. If you choose to pay by credit or debit card, enter the confirmation number(s) in the space provided below Line 21 on the tax form before you file the return with the tax bureau.

LINE 22 – If Line 16 is larger than Line 12, subtract Line 12 from Line 16 and enter the result if it is greater than \$1.00. This is your overpayment amount.

LINE 23 – Enter the portion of your Line 22 overpayment that you wish to be refunded. Complete “Direct Deposit Information” to have the refund deposited directly to your savings or checking account.

LINE 24 – Enter the portion of your Line 22 overpayment that you wish to be credited to your next year’s return.

LINE 25 – Enter the portion of your Line 22 overpayment that you wish to be credited to your spouse’s balance due for this filing year.

GENERAL INFORMATION FOR FILING FORM 531, LOCAL EARNED INCOME AND NET PROFITS TAX RETURN

FILING DEADLINE – April 15th of the succeeding year for which this return is filed for calendar year returns. For fiscal year returns, the 15th day of the 4th month following the close of the taxable year. If the normal filing due date falls on a Saturday, Sunday, or legal holiday, the due date for filing will be extended to the next business day.

LATE FILING FEE – (Line 19) A \$10.00 late filing fee is charged to each taxpayer who files a return, or whose return is incomplete, after the filing deadline. This fee is assessed even if all tax has been withheld by your employer, and is in addition to any other interest and penalty charges and costs that have accrued. This fee will be waived if you have filed for an extension as outlined below. The fee increases to \$20.00 if the return is filed, or is still incomplete, after December 31 of the year that the return was due.

EXTENSION OF TIME TO FILE – A federal and/or state granted extension to file does not automatically give you an extension to file your local tax return. To receive a 6-month extension of time to file, you must submit to our bureau a copy of Federal Form 4868 by the original due date of the return. To avoid interest and penalty charges, you still must pay all tax due by the original due date of the return. By filing an extension, you will not be assessed a late filing fee if the return is filed within the extension period and no tax, interest, or penalties are due on the extended return.

WHO MUST FILE – A person must file if that person resided in a *MEMBER MUNICIPALITY* whether residing in the *MEMBER MUNICIPALITY* for all or part of the tax year and has earnings and/or net profits and/or net losses even if no tax is due and regardless of where the person works. See the back of the *Original/Tax Office Copy* Form 531 for a list of the *MEMBER MUNICIPALITIES*. Failure to file a return may subject you to a \$500 fine. Tuscarora School District residents are not subject to the tax until they turn 18 and must file a return providing birth date to obtain a refund of tax withheld prior to turning 18.

IF YOU HAD NO EARNINGS, NET PROFITS, OR LOSSES TO REPORT... Enter zero (0) on Line 10 and list reason (e.g. retired, disability, housewife, did not work THIS year, etc.). Sign the form and return it to us. This will eliminate needless correspondence.

WHERE TO FILE – File your return at the bureau and address listed at the upper left corner on the front of your return.

ROUNDING OFF TO WHOLE DOLLARS – Round off cents to the nearest whole dollar on your return. If rounding, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, \$1.39 becomes \$1.00 and \$2.50 becomes \$3.00. If you have to add two or more amounts to figure the amount to enter on a line, include cents when adding the amounts and only round off the total. Example: You receive two W-2 forms, one showing wages of \$5,000.55 and one showing wages of \$18,500.73. On form 531 Line 1, you would enter \$23,501. (\$5,000.55 + \$18,500.73 = \$23,501.28) instead of \$23,502. (\$5,001. + 18,501.).

EFFECTIVE DATES FOR THIS TAX – This return covers the taxable period from January 1 thru December 31 of the year listed on the return, or any fiscal tax year so designated by the taxpayer.

TAXABLE INCOME ITEMS – Wages, salaries, commissions, bonuses, work related rewards and prizes, tips, fees, net profits, severance pay, premature retirement or other deferred payment plan distributions for reasons other than death or disability not rolled over into another federally qualified retirement plan to the extent they were taxable for PA State Income Tax purposes (see more detailed explanation of this item below), employee contributions to 401(k), 403(b), 457 and other types of deferred payment programs, taxes assumed by the employer, incentive payments, fellowships (when compensation for services), inactive military service (e.g. reserves) pay and bonuses. Internal Revenue Code Section 125 (Cafeteria Plan or Flexible Spending Plan) benefits taxable for PA State Income Tax are also taxable for PA Local Income Tax purposes. An example would be “Dependent Care Benefits.”

TAXABLE RETIREMENT/SAVING PLAN DISTRIBUTIONS – This bureau follows the PA Department of Revenue’s Personal Income Tax Regulations regarding the taxability of distributions from employee deferred payment programs such as pensions (retirement plans), profit sharing, ESOP’s, SEP, 401(k), 403(b) and 457 plans. Under Act 166, the taxable amount of a distribution of this type will now be the same for the local tax as it is for the state tax. A distribution of such a plan can be made up of three ingredients: 1) the employee’s previously taxed contributions, 2) the employer’s untaxed contributions, and 3) income generated by the plan’s assets. Items 2 and 3 are taxable for state and local tax purposes. The taxpayer must provide a statement from the plan administrator or trustee of the account showing what portion, if any, of the distribution is attributable to the employer’s contribution and income (gains) on the plan’s assets. This is the portion that is taxable for earned income tax purposes and must be listed on Line 4 of your return. Without a statement breaking down the distribution, the entire amount of the distribution will be taxed.

NON-TAXABLE ITEMS – Interest, dividends, social security benefits, pensions, annuities, and retirement pay received after retirement from employment and upon reaching a specific age or years of service or upon death or disability. IRA benefits, disability benefits, third party sick pay, capital gains, death benefits, life insurance proceeds, gifts or bequests, public assistance, unemployment compensation, income from trusts, active military service pay or bonuses, minister’s housing allowance, personal use of company property, rental income by individuals not licensed (or conducting a business) as realtors by the Commonwealth of Pennsylvania, Subchapter S pass-thru income (unless taxpayer is not receiving fair compensation for services rendered to the corporation), passive limited partnership income. Internal Revenue Code (IRC) Section 125 benefits not taxed for PA State Income Tax are also excluded from PA Local Income Tax. For taxpayers engaged in farming, local net profits do not include interest earned on the monetary accounts of the farming business and gains from the sale of farm machinery, most livestock, and the capital assets of the farm.

ORDER OF ATTACHING W-2’S AND FORMS/SCHEDULES TO RETURN – Place all W-2’s and forms/schedules behind the return facing front. Edge all attachments to the upper, left hand corner of the form and place a single staple there. The order of the attachments from first to last behind the return should be as follows: 1) Your W-2(s); 2) Spouse’s W-2(s) (if filing on this form); 3) Your PA UE, 2106 (if used to document PA UE), PA State Schedule(s) C, F, RK-1; and 4) Your spouse’s PA UE, 2106 (if used to document PA UE), PA State Schedule(s) C, F, RK-1 (if filing on this form). Finally, attach Schedule X (if applicable) and any other worksheets or documentation that explains how you derived at the figures on the tax return. Checks should be attached to the front of the return with a single staple.

SIGN AND DATE THE TAX BUREAU’S COPY OF YOUR RETURN – Sign and date the return at the bottom of the return. If both spouses are filing on a single form, both spouses must sign the return. Any filing received without the proper signature(s) will not be considered filed.

IF YOU MOVED – If you moved from the beginning of the tax year to present, please supply the information requested on the reverse side of the TAX BUREAU’S COPY of your return (Sections A and C). If you have lived in different municipalities, falling under different tax bureau jurisdictions during the year, you MUST prorate your earnings and withholdings accordingly and file with the appropriate tax bureaus. **ATTACH A COPY OF THE OTHER TAX BUREAU RETURN** when you file this return. State law requires that, if you move and have to prorate your earnings, you do so in full month increments. If you moved during a month, report the entire month’s earnings to the jurisdiction that you lived the most days during that month. Count the day you moved as being in the jurisdiction you moved to. If you lived an equal number of days during the month in the jurisdiction you moved from and the jurisdiction you moved to, report the entire months earnings to the jurisdiction you moved to.

IF YOU RECEIVED MORE THAN ONE TAX RETURN – Please return both tax returns to us. Complete the form that has the correct social security number and mark the other form *DUPLICATE OF SSN “XXX-XX-XXXX”* where “XXX-XX-XXXX” is the correct social security number. Doing so will avoid needless correspondence.

IF YOU ARE SELF-EMPLOYED OR YOUR EMPLOYER DOES NOT WITHHOLD YOUR FULL TAX LIABILITY, YOU ARE REQUIRED TO PAY YOUR NON-WITHHELD TAX ON A QUARTERLY BASIS USING FORM 521 Quarterly Estimated Tax Return Individual Net Profits And Earned Income Tax. Form 521 and instructions are available at our website, *FCATB.org*, under *Individual Tax Forms*. Failure to comply will result in an interest and penalty assessment.

LOCAL FILING COMPARED TO PA PERSONAL INCOME TAX RETURN – This bureau participates in a program with the Pennsylvania Department of Revenue to match earned income (compensation) and net profit/loss as reported on the local return against the same items reported on the state return. If, by audit, tax items are changed by either the IRS or State Department of Revenue that have a bearing on your local tax return, you must file an amended local return to reflect such changes. If you have Subchapter S corporation income, file a copy of any Subchapter S RK-1 that was reportable as a profit or loss for state tax purposes. Whereas Subchapter S income/loss does not typically apply to local tax, this information will prevent us from sending you a “discrepancy” letter when your local and state income does not match due to this tax item.