

CITY AND SCHOOL DISTRICT OF PITTSBURGH TAX BULLETIN

Jordan Tax Service, Inc. (JTS) was selected by the Allegheny County Central Tax Collection Committee (ACCTCC) to collect the **EARNED INCOME TAX** for the Allegheny County Central Tax Collection District (ACCTCD). The ACCTCD includes the City of Pittsburgh, School District of Pittsburgh and Mount Oliver Borough. These changes are the result of PA Act 32 of 2008, which will take effect in 2012.

An employer must register with JTS if it:

Has a location in the ACCTCD where it employs one or more persons.

Currently withholds 2011 EIT to the City of Pittsburgh or School District of Pittsburgh.

Please see the enclosed insert for additional information concerning registration with Jordan Tax Service Inc.

Starting January 1, 2012, JTS will be collecting Quarterly Wage Tax (WT-1), Monthly Wage Tax (WTD), Net Profit (NP-5), Individual Wage Tax (WT-4), Year End Reconciliation (WTE-3) and the Individual Earned Income Tax (PGH-40). This includes all current and prior 2012 taxes as well as 2011 final returns, 2011 4th quarter returns due in 2012 and any delinquent 2011 taxes for taxes listed above.

For more information visit www.jordantax.com/Act32 or call 412-345-7966.

The City of Pittsburgh will still collect current and prior tax for the Payroll Expense Tax (ET-1), Local Services Tax (LS-1 & LS-3), Amusement Tax (AT), Parking Tax (PT), Institution Privilege Tax (ISP), Facility Usage Fee (UF) and all prior Business Privilege (BP), Mercantile Tax (MT), and Mercantile License (ML). The City of Pittsburgh will also still collect **2010 and prior** Earned Income/Net Profit (PGH-40), and Wage Tax (WT-1 and WTE-3).

For more information visit www.city.pittsburgh.pa.us/finance or call 412-255-8822.

*****REGISTER NOW*****

**MANDATORY PAYROLL WITHHOLDING FOR PENNSYLVANIA LOCAL EIT
COLLECTION BEGINNING JANUARY 1, 2012**

Act 32 generally requires that employers withhold local earned income taxes (EIT) on behalf of all their employees. (Special rules exist for employees living and working in Philadelphia or in other states. Please contact Jordan Tax Service, Inc., for more information.) Employers must also file returns and remit payment to the Tax Officer for the Tax Collection District (TCD) in which the employer is located.

Jordan Tax Service, Inc. (JTS) has been appointed Tax Officer for the Allegheny County Central Tax Collection District (ACCTCD) and The Southwest Allegheny County Tax Collection District (SWACTCD).

NOTE: JTS will also receive and process all 2011 Pittsburgh City/School EIT returns and/or payments submitted on or after January 1, 2012.

IMPORTANT NOTES REGARDING REGISTRATION:

- An employer must register with JTS if it has a work location in the ACCTCD and/or SWACTCD where it employs at least one or more person.
- An employer must also register with JTS if it currently withholds 2011 EIT for the City of Pittsburgh, even if it does not have a work location in the ACCTCD or SWACTCD.
- Only one (1) registration per Federal Tax ID number is required (or permitted). However, each work location must be declared if it is within the ACCTCD or SWACTCD.
- If filing combined monthly returns, all work locations, regardless of TCD, are required to be declared.*
- You must register even if you utilize a third party payroll processor. They will not do so on your behalf.

If you need to register with JTS and haven't done so yet, call the JTS Act 32 Help Line at 412-345-7966.

* If you have locations within multiple Tax Collection Districts, you have the option to file combined monthly returns to a single TCD. For more information on this option, please visit the JTS website at:

<http://www.jordantax.com/Act32/>

Employers **must** also require each employee complete a **Residency Certification Form**. The employer must retain this form and must have updated forms for every employee that is hired or that moves.

The proper EIT withholding rate is determined by the greater of:

1. The Employee's **Resident** rate (the political subdivision where the employee lives)
2. The Employer's **Non-Resident rate** (the political subdivision where the employee works)

NOTE: The Municipal Non-Resident EIT Rate for the City of Pittsburgh is 1%

**For additional information or to register as an Employer with Jordan Tax Service, Inc.
Please visit: www.jordantax.com/Act32**