

# INSTRUCTIONS FOR TOWNSHIP OF PINE • PINE RICHLAND SCHOOL DISTRICT FINAL TAX RETURN

## BUSINESS LOSSES - NEW FOR 2009

Effective for 2009, business losses can no longer be used to offset earned income, per Act 32 of 2008. A loss from one business, however, can be used to offset net profit from another business. Taxpayer must be an active participant. No corporate losses allowed.

## WHAT IS THE TAX?

The tax is a 1% tax on earned income and net profit. Pennsylvania residents pay the tax to the municipality where they live. Non residents of Pennsylvania who are working in the township temporarily pay the township rate only, which is ½ %. Residents who live in the township but are in the United States on a temporary visa are required to pay their tax at the workplace municipality.

## WHO MUST FILE?

Every resident and applicable non resident of the Township of Pine who had taxable earned income and/or net profits during any part of the year must file a FINAL RETURN. This return must be filed even if the tax was fully withheld by the employer or if no additional tax is due.

Two income households must file separate returns. Joint filing of tax returns is not permitted.

## WHEN TO FILE?

RETURNS can be mailed or delivered on or before April 15th of the following year. If a PA extension is filed, a copy of the official extension form must be submitted by April 15th. A reasonable estimate of any tax still due must be paid with the extension form.

## WHERE TO FILE?

RETURNS can be mailed or delivered to the Township of Pine Municipal Building, 230 Pearce Mill Road, Wexford, PA 15090-8511

## TAXABLE EARNED INCOME AND COMPENSATION

Compensation as determined under section 303 of the act of March 4, 1971 (P.L. 6, No.2), known as the "Tax Reform Code of 1971," and rules and regulations promulgated under that section (relating to personal income tax), **excluding housing allowance to the clergy and all active duty military pay**. Some examples of compensation are wages; salaries; commissions; bonuses; contributions to deferred income plans; court awarded back wages; director's fees; early distribution from pension/retirement plans; drawing accounts; PA taxable benefits; executor fees; exercised stock options; fellowships and stipends paid as regular wages; honoraria; jury and witness fees; non active duty military pay; non competition payments; proceeds from profit sharing and stock option plans subject to PA tax in the year received; regular wages paid during sickness or disability; reimbursed moving expense; severance pay; taxes assumed by the employer for the employee; tips and gratuities; vacation/holiday pay; and other forms of compensation as provided by the employer.

## TAXABLE NET PROFITS

The net income from the operation of a business, profession, or other activity, **except corporations**, determined under section 303 of the act of March 4, 1971 (P.L. 6, No.2), known as the "Tax Reform Code of 1971," and rules and regulations promulgated under that section (relating to personal income tax). The term does not include income which is not paid for services provided and which is in the nature of earnings from an investment.

## NON-TAXABLE INCOME (DO NOT USE THESE ITEMS)

Active duty military pay; alimony; capital gains; child support; damages for personal injury; death benefit payments to employee's beneficiary or estate; disability or sick pay paid by third party insurance company; distributions from retirement plans excluded from compensation on the PA Tax Return in the year received; dividend income; non PA taxed fringe benefits; fellowships not paid as regular wages; gifts of cash or property; interest income; life insurance policy proceeds; lottery winnings; gambling winnings unless in business of gambling; public assistance; income or net profits from the rental or lease of commercial or residential real estate; scholarships; social security; SUB unemployment pay; sub-chapter S corporation profit; workman's compensation; unemployment compensation; royalty income reported on PA Schedule E, and housing allowance provided to a member of the clergy

## DEDUCTIONS FOR UNREIMBURSED BUSINESS EXPENSE (PA SCHEDULE UE)

Business expenses for which an employee has not been reimbursed are allowed as a deduction from gross wages as recorded on the PA Tax Return. PA Schedule UE must be submitted to allow deduction.

Contributions to deferred income plans such as IRA's, 410K's and Keoghs cannot be deducted from taxable income.

## DOCUMENTATION

Copy of page 1 Pennsylvania Tax Return. Earned income - attach W-2 Statements, 1099 MISC forms and PA Schedule UE if claiming business expense. Net Profits - attach Schedules C, F, K-1's and E whether or not subject to the tax. Tax returns without proper documentation will not be processed. Taxpayer must submit the original document or a clear copy. The Tax Office will not make copies or return documents.

## CREDIT FOR TAXES PAID TO OTHER JURISDICTIONS

Taxpayers employed in another state who are subject to a state or local tax at their place of employment, may request credit up to 1% on those wages. The same dollar of the out of state tax cannot be claimed as credit against liability for both state and local taxes in Pennsylvania. Copies of PA Schedule G and official company document outlining income and tax distribution by state must be submitted.

## OVERPAYMENT

Please check one or more of the following options: CREDIT, DONATION or REFUND. Overpayments under \$10.00 may be credited to next year's tax or donated. No amounts under \$1.00 will be processed.

## PENALTY AND INTEREST CHARGES

Charts below show percent to use when calculating penalty and interest due in April from each quarter that was missed, and for total year if no filing was made. Add 1% each month to the percentages below after April.

1 <sup>st</sup> Qtr	Tax x 12%
2 <sup>nd</sup> Qtr	Tax x 9%
3 <sup>rd</sup> Qtr	Tax x 6%
4 <sup>th</sup> Qtr	Tax x 3%

No Quarterly Payments Total Year Earnings Over \$5000 Tax x 7.5%
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## PAYMENT DUE

Your payment amount is reported on line 13 of the tax return. Make checks payable to the Township of Pine EIT Collector. No tax payments of under \$1.00 are required. There will be a \$36.00 charge for checks returned from the bank for any reason. Credit card payments cannot be accepted.

## SIGNATURE REQUIRED

All returns must be signed and dated by the taxpayer.

## FAILURE TO FILE

Failure to receive a tax return does not relieve the taxpayer of the responsibility of filing a tax return and paying the tax. Failure to file may result in a fine up to \$500 for each offense and cost of prosecution.

## TAX REGULATIONS

Complete tax regulations are available at the tax office.

**TOWNSHIP OF PINE - PINE RICHLAND SCHOOL DISTRICT EARNED INCOME AND NET PROFITS FINAL TAX RETURN**

**DUE BY APRIL 15**



*"Please indicate any address or name changes".*

**NO JOINT RETURNS ARE PERMITTED**

230 PEARCE MILL RD • WEXFORD, PA 15090-8511  
 PH (724) 625-1636 EXT 118 • FAX (724) 625-8929  
 HOME PAGE - <http://twp.pine.pa.us>  
 E-Mail- [jcasper@twp.pine.pa.us](mailto:jcasper@twp.pine.pa.us)

**THIS RETURN MUST BE SUBMITTED WITH A COPY OF FIRST PAGE PA TAX RETURN; W-2 STATEMENTS; 1099 MISC FORMS; AND ALL NET PROFIT SCHEDULES (C,E,F AND K-1) (S CORP K-1'S ARE NOT TAXED BUT THE K-1 MUST BE SUBMITTED.)**

	COMPUTE TAX HERE	OFFICE USE ONLY
1. <b>TOTAL PA EARNED INCOME AND COMPENSATION</b> (USE STATE WAGES FROM BOX 16 OF THE W-2 INCLUDE PREMATURE PENSION DISTRIBUTIONS IF REPORTED ON PA RETURN)	1.	
2. <b>LESS ALLOWABLE EMPLOYEE BUSINESS EXPENSE</b> COPY OF PA DEPT OF REVENUE SCHEDULE UE MUST BE SUBMITTED OR DEDUCTION WILL NOT BE ALLOWED	2. —	
3. <b>NOTE: EFFECTIVE FOR 2009. BUSINESS LOSSES CAN NO LONGER BE USED TO OFFSET EARNED INCOME. REPORT LOSSES ON LINE 5.</b>	3. — XXXXXX	
4. <b>SUBTOTAL-NET EARNED INCOME</b> (LINE 1 LESS LINE 2 (NOT LESS THAN ZERO))	4.	
5. <b>NET PROFITS (LOSSES) FROM BUSINESS, PROFESSION OR FARM</b> (NOT LESS THAN ZERO) (ENCLOSE ALL NET PROFIT SCHEDULES FROM THE PA RETURN)	5.	
6A. <b>TOTAL EARNED INCOME AND NET PROFITS</b> (TOTAL OF LINES 4 & 5)	6A.	
6B. <b>LESS EARNINGS IF PART YEAR RESIDENT IN ANOTHER PA MUNICIPALITY</b> (ATTACH COPY OF RETURN) NAME OF MUNICIPALITY _____ RESIDENT FROM / / TO / /	6B.—	
7. <b>EARNINGS WHILE TOWNSHIP OF PINE RESIDENT</b> (LINE 6A LESS LINE 6B)	7.	
8. <b>TAX DUE (1 % OF LINE 7)</b>	8.	
9. <b>TAX PAID: INCLUDED IN THIS FIGURE ARE: A. PRIOR YEAR OVERPAYMENT, B. TAX WITHHELD BY THE EMPLOYER AND C. QUARTERLY INDIVIDUAL PAYMENTS.</b> (DOES NOT INCLUDE AMOUNTS RECEIVED AFTER FEBRUARY 15TH)	9.	
10. <b>OVERPAYMENT</b> (CHOOSE ONE OR MORE OF THE OPTIONS BELOW IF LINE 9 IS GREATER THAN LINE 8)	10A.	
10A. <input type="checkbox"/> <b>CREDIT TO NEXT YEAR'S TAX. NO CREDIT LESS THAN \$1.00</b>	10B.	
10B. <input type="checkbox"/> <b>DONATION TO "FRIENDS OF PINE COMMUNITY PARKS" (Tax Deductible)</b>	10C.	
10C. <input type="checkbox"/> <b>REFUND • AMOUNT MUST BE \$10.00 OR MORE</b>		
11. <b>UNPAID TAX BALANCE</b> (IF LINE 9 IS LESS THAN LINE 8) DUE BY APRIL 15	11.	
12. <b>PENALTY AND INTEREST</b> (1% PER MONTH OF LINE 11 IF PAID AFTER APRIL 15) SEE INSTRUCTIONS ON BACK OF FORM FOR FAILURE TO MAKE PROPER QUARTERLY PAYMENTS	12.	
13. <b>TOTAL PAYMENT DUE</b> (LINE 11 PLUS LINE 12) NO PAYMENTS UNDER \$ 1.00 REQUIRED. <b>MAKE CHECK OR MONEY ORDER PAYABLE TO "TOWNSHIP OF PINE EIT COLLECTOR".</b>	13.	

SOCIAL SECURITY NO. \_\_\_\_\_ PHONE NO. \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_ EMPLOYER \_\_\_\_\_

RESIDENT \_\_\_\_\_ PART-YEAR RESIDENT \_\_\_\_\_ FROM MO/YR \_\_\_\_\_ TO MO/YR \_\_\_\_\_

IF YOU HAD NO EARNED INCOME, CHECK THE REASON WHY:  
 Retired  Student  Unemployed  Homemaker  Disabled

**I DECLARE UNDER PENALTIES PROVIDED BY LAW, THAT THIS RETURN WAS EXAMINED BY ME AND IS, TO THE BEST OF MY KNOWLEDGE, A TRUE, CORRECT AND COMPLETE RETURN.**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
 SIGNATURE OF TAXPAYER DATE

OFFICE USE ONLY	
DATE FILED	
CHECK #	AMT \$
ENTERED	