

## ***Local Services Tax General Info***

- Effective in East Petersburg Borough beginning January 1, 2010
- Information and forms can be found on the Borough website [www.eastpetersburgborough.org](http://www.eastpetersburgborough.org)
- Employers must withhold the tax based on the number of annual payroll periods (ex: biweekly payroll must be withheld at \$2 per payroll/ 26 times annually)
- Employers are required to submit the tax quarterly. Due dates are:  

1 <sup>st</sup> Quarter due April 30	3 <sup>rd</sup> Quarter due October 31
2 <sup>nd</sup> Quarter due July 31	4 <sup>th</sup> Quarter due January 31
- If an employee resigns or is terminated during the year, the employer is not responsible for collecting the remainder of the tax. It is the responsibility of any *new* employer to withhold the remainder of the tax due from future paychecks
- If an employee has multiple employers, the *primary* employer should deduct the tax (the employee is responsible for completing an exemption form which should be filed with the non-primary employer to avoid having the tax deducted by both employers. If the employee fails to do so, it is the responsibility of the employee to file for a refund at the end of the year).
- If an employee begins employment during the year and has not had the tax deducted by another employer, the first withholding must be a lump sum to "catch up" on the amount the employee owes to date. The remaining withholdings would then be the same amount per paycheck as other employees.
- Exemptions/refunds are available for the following reasons (all exemption/refunds must provide supporting documentation):
  - \*Earns less than \$12,000
    - \*Multiple employers
    - \*Active Duty Military
    - \*Military Disability (100% disability only)
- Self-Employed Individuals must comply by April 30 or as soon as the \$12,000 minimum is met (pay quarterly as employers do, when minimum is met)