

Return this form with supporting documentation attached to the back of the return by **April 18, 2017**. (Enclose payments, do not attach)

**CENTRE TAX AGENCY 2016 LOCAL EARNED INCOME TAX RETURN**

**PO BOX 437, STATE COLLEGE PA 16804-0437 Phone: (814) 278-4709**

Physical address: 243 S Allen St, State College PA 16801

WEBSITE: WWW.STATECOLLEGEPA.US

Hours: 8 am - 5 pm (call for special hours during tax season)

FOR ELECTRONIC FILING

CHECK HERE IF YOU MOVED DURING THIS TAX YEAR. PROVIDE EACH PHYSICAL ADDRESS FOR TAX YEAR.  
 \*\*\* FIRST COMPLETE THE PART-YEAR RESIDENT WORKSHEET IF YOU LIVED WITHIN MORE THAN ONE MUNICIPALITY. WORKSHEET LOCATED ON WEBSITE.

Dates	Physical Address [No PO Box, RR or RD] include temporary addresses
/ / to / /	
/ / to / /	
/ / to / /	

<b>Current Name and Address (if different please change)</b>	Electronic PIN:	
	Social Security #	
	Taxpayer A	Taxpayer B
	Resident PSD Code:	
	Amended Return	<input type="checkbox"/>
	Non- Resident Return	<input type="checkbox"/>
	<b>Non-resident return, see instructions, Line 6</b>	

WWW.STATECOLLEGEPA.US FOR ELECTRONIC FILING		Taxpayer A	Taxpayer B
Two-income married couples may both file on this form, order of names is not pertinent. Tax calculations must be entered in separate columns. Taxpayers must provide verification of earned income/expense items as indicated below with this return.	If you had <b>NO EARNED INCOME</b> circle the reason why:	Disabled Homemaker Unemployed Active Duty Military	Deceased Retired

	Round to the whole dollar	Round to the whole dollar
1. Earned Income/Compensation (Box 18 from W-2 form or amount from proration worksheet) (Attach W-2)	1	00
2. Less Allowable Business Expenses (Attach PA UE Forms)	2	00
3. TOTAL Earned Income & Compensation (Line 1 minus Line 2)	3	00
4. a. Net Effect of Profits From Business, Profession, Farm (Attach Documentation) Loss = 0	4a	00
b. Other Taxable Income (Attach Documentation)	4b	00
5. TOTAL Taxable Earned Income/Compensation & Net Profits (Line 3 plus Line 4a plus 4b.)	5	00
6. Calculation of Tax: a. Multiply Line 5 by proper tax rate (see reverse side) RATE: _____	6a	00
*** OR b. Insert calculated amount from proration worksheet	6b	00
7. Tax Credits: a. Tax Withheld by Employer (Box 19 of W-2, or amounts from worksheets)	7a	00
b. Quarterly Tax Payments	7b	00
c. Prior Year Overpayment (unless refunded)	7c	00
d. Credit for tax paid to other states (Attach Sch G & required copies )	7d	00
e. TOTAL (Add Lines a, b, c & d)	7e	00
8. Overpayment (If Line 7e is greater than Line 6a or 6b-AMOUNTS \$1.00 OR LESS WILL NOT BE REFUNDED)		00
a. <input type="checkbox"/> Credit to Next Year <input type="checkbox"/> Credit to Spouse	8a	00
b. Refund <input type="checkbox"/> Paper Check <input type="checkbox"/> Direct Deposit	8b	00

**NO CREDIT OR REFUND WILL BE PROCESSED WITHOUT COMPLETE DOCUMENTATION**

Direct Deposit Information	Taxpayer A,	Checking or	
Name of Bank	Taxpayer B, Both	Savings Acct	ROUTING NO.

9. Unpaid Tax Balance (If Line 7e is less than Line 6a or 6b enter amount due.)	9	00
a. Minus Credit Amount from Spouse	9a	00
10. a. Penalty & Interest (1.25% per month of Line 9 minus 9a if taxes are paid after April 18). It should be noted that individuals who have failed to make quarterly self-payments sufficient to meet their tax obligations are subject to additional charges.	10a	00
b. LATE FILING FEE: A \$25.00 fee for any return that is not filed by the due date listed above. If an extension is filed with our office by the due date the fee will reflect the due date on the extension.	10b	00
11. TOTAL Payment Due with Return (Line 9 minus Line 9a plus Line 10a & 10b) NO PAYMENTS OF \$1.00 OR LESS ARE REQUIRED	11	00
12. If paying combined, enter amount enclosed. (A payment due & a credit balance may be combined).	12	

**SIGN YOUR RETURN. Under penalties of perjury I (we) have examined this return, and to the best of my (our) belief it is true, correct and complete. Has your state or federal income been changed as a result of an audit in the past 3 years? YES or NO**

Taxpayer A Signature	Date	Phone Number	Are you a student? Please circle: Full-time Part-Time No
Taxpayer B Signature	Date	Phone Number	Are you a student? Please circle: Full-time Part-Time No
Preparer's Name	Date	Phone Number	Signature of Preparer

MULTIPLE W2 WORKSHEET, Round to the whole dollar	TAXPAYER A		TAXPAYER B	
EMPLOYER'S NAME	LOCAL GROSS WAGES	LOCAL TAXES WITHHELD	LOCAL GROSS WAGES	LOCAL TAX WITHHELD
1		00		00
2		00		00
3		00		00
4		00		00
5		00		00
6		00		00
<b>TOTAL (ENTER ON LINE 1) Enclose a Form W-2 for each employer.</b>		00		00

**NET EFFECT OF PROFITS (LOSSES) FROM BUSINESS, PROFESSION, FARM (FOLLOW PA GUIDELINES, PREFER PA SCHEDULES)**

DESCRIPTION	TAXPAYER A	TAXPAYER B
SCHEDULE C	00	00
SCHEDULE C	00	00
SCHEDULE C	00	00
SCHEDULE E (Royalties Taxable, Rental Income Non-taxable)	00	00
SCHEDULE E (Royalties Taxable, Rental Income Non-taxable)	00	00
SCHEDULE F	00	00
SCHEDULE F	00	00
SCHEDULE K-1 (PA S Corp Non-taxable)	00	00
SCHEDULE K-1 (PA S Corp Non-taxable)	00	00
Taxpayer A's Total Schedule Income cannot be netted against Taxpayer B's Total Schedule Income.		
Taxpayers must provide verification of earned income/expense items as indicated with this return.		
<b>Total (ENTER ON LINE 4A) IF NEGATIVE ENTER ZERO, ENCLOSE ALL SCHEDULES &amp; DOCUMENTATION</b>	<b>00</b>	<b>00</b>

**OTHER TAXABLE INCOME NOT INCLUDED ON A PA SCHEDULE**

DESCRIPTION	TAXPAYER A	TAXPAYER B
FORM 1099 (Interest and Dividend Income Non-taxable. See Instructions)	00	00
FORM 1099 (Interest and Dividend Income Non-taxable. See Instructions)	00	00
FORM 1099 (Interest and Dividend Income Non-taxable. See Instructions)	00	00
MISC EARNED INCOME (PATENTS, FEES, HONORARIA, ETC)	00	00
MISC EARNED INCOME (PATENTS, FEES, HONORARIA, ETC)	00	00
MISC EARNED INCOME (PATENTS, FEES, HONORARIA, ETC)	00	00
<b>TOTAL (ENTER ON LINE 4B) Attached a copy of Form 1099's and Misc documentation if available.</b>	<b>00</b>	<b>00</b>

**Centre Tax Agency  
Taxpayers Bill of Rights Notice**

You are entitled to receive a written explanation of your rights with regard to the assessment, audit, appeal, enforcement, refund, and collection of certain municipal/school taxes. The written explanation is entitled *Taxpayers Bill of Rights Disclosure Statement*. Upon receiving a request from you, the tax office will give you a copy of the Disclosure Statement at no charge. You may request a copy in person, or by mailing a request in a separate envelope to the address indicated on the front of the return.

**TAX RATES AND PSD CODES FOR MUNICIPALITIES COLLECTED BY CENTRE TAX AGENCY**

BALD EAGLE AREA SD	PSD CODE	Resident/Non-resident rate	BELLEFONTE SD	PSD CODE	Resident/Non-resident rate	STATE COLLEGE SD	Resident/Non-resident rate
BOGGS TWP	140101	2.55% 0.5%	BELLEFONTE BORO	140201	1.65% 1.0%	BENNER IND TWP PSD 140401	1.45% 0.5%
BURNSIDE TWP	140102	2.55% 0.5%	BENNER TWP	140202	1.55% 0.5%		
HOWARD BORO	140103	2.55% 0.5%	MARION TWP	140203	1.55% 0.5%	COLLEGE TWP PSD 140402	1.45% 1.0%
HOWARD TWP	140104	2.55% 0.5%	SPRING TWP	140204	1.55% 0.5%		
HUSTON TWP	140105	2.55% 0.5%	WALKER TWP	140205	1.55% 0.5%	FERGUSON TWP PSD 140403	2.35% 1.0%
MILESBURG BORO	140106	2.55% 0.5%	<b>PENNS VALLEY SD</b>				
PORT MATILDA BORO	140107	2.55% 0.0%	CENTRE HALL BORO	140301	1.80% 0.5%	HALFMOON TWP PSD 140404	1.45% 0.5%
SNOW SHOE BORO	140108	2.55% 1.0%	GREGG TWP	140302	1.80% 0.5%		
SNOW SHOE TWP	140109	2.55% 1.0%	HAINES TWP	140303	1.80% 0.5%	HARRIS TWP PSD 140405	1.45% 1.0%
UNION TWP	140110	2.55% 1.0%	MILES TWP	140304	1.80% 0.5%		
UNIONVILLE BORO	140111	2.55% 1.0%	MILLHEIM BORO	140305	1.80% 0.5%	PATTON TWP PSD 140406	1.45% 1.0%
WORTH TWP	140112	2.55% 0.0%	PENN TWP	140306	1.80% 0.5%		
			POTTER TWP	140307	1.80% 0.5%	STATE COLLEGE BORO PSD 140407	2.25% 1.0%

CENTRE TAX AGENCY (CTA) – INDIVIDUAL EARNED INCOME & NET PROFITS TAX (EIT) RETURNS  
Frequently Asked Questions (FAQ)

\*\*\*\* CHANGES FOR 2016 TAX RETURNS \*\*\*\*

A late filing fee in the amount of \$25.00 was implemented. Additional fees will also be imposed for individuals that are making late payments, non-payments, requesting payment plans and failed to make quarterly self-payments that were required. A schedule of the collection costs can be found on our website.

**Who needs to file an EIT Return?**

Any person who has earnings (or a loss) from self-employment or as an employee is required to file an EIT return. The return is required whether a refund is due, a balance is due, or if no payment or refund is due. Please see note in the section below “What should I do if I received a tax return in error?” for additional information.

**Can I file this return electronically?**

Using the Personal Identification Number (PIN) that appears on the face of your tax return, or by using your username and password if you registered for a permanent account you can file your local tax return online using a free service called: eFiling. The eFiling link can be reached by visiting [www.statecollegepa.us](http://www.statecollegepa.us) [Online Services Tab] eFiling option. There is a short-form for taxpayers with simple returns as well as a long form for those with complex filings.

**How do I file if I have a post office box, rural route, or rural delivery?**

Taxpayers must include on the tax return their physical address since that is the key factor that determines which municipality and school district is entitled to receive the tax due. Returns filed with only a post office box are subject to audit and will not be considered a complete return until a physical address is provided. Since there is a range of tax rates across Centre County, the tax office must enforce this requirement as part of Act 32 of 2008.

**Can I file with my spouse if the preprinted form has only my name listed?**

You may add your spouse to your form and file one tax return. Each of your earnings will be reflected in a separate column.

**What if I owe a payment but my spouse is receiving a refund?**

You will find that the tax return design does allow for transfers between the taxpayer and spouse allowing a refund to offset a balance due.

**Why does the form have the cents columns filled in with zeros?**

Act 32 of 2008, the legislation that created the framework for one county-wide Earned Income Tax Officer, requires that tax returns now be filed rounded to the nearest whole dollar. For this reason, we have already completed the cents column with zeros.

**How do I file if I moved during the tax year?**

Act 32 intended to make filing a prorated return a simple task, so the Act created a routine that uses the total wages, allocated 1/12 per month, making it easier for taxpayers to prorate their wages. Please visit the CTA website at: [www.statecollegepa.us](http://www.statecollegepa.us) [Departments Tab] – Centre Tax Agency/Tax Services - to reach our Earned Income and Net Profits Tax listing of documents to download a copy of the proration worksheet. You may also call the tax office and a form will be mailed, faxed, or emailed to you.

**What should I do if I received a tax return in error?**

Please call the tax office to explain why you believe that you should not be receiving the enclosed tax return or notify the tax office by returning the enclosed form along with your explanation.

**My employer withheld all of the tax due, do I need to file?**

Tax returns are required for all residents of Centre County who are employed. If the correct tax due was withheld, you will file a tax return with no balance due. If your employer withheld at a rate less than the correct withholding rate, you will find that you owe a payment. Please alert your payroll department to correct their withholding rate tables to ensure that the correct tax due will be withheld for future tax years. Act 32 does require that the employer withhold at the correct tax rate.



Inclement weather?  
Please listen for building closings on day of event.

Open Houses have been scheduled to provide you with an opportunity to have your tax questions answered, pick up tax forms, or learn about eFiling (an electronic filing program that allows you to file your local Earned Income and Net Profits Tax Return electronically). You may attend any session at your convenience.

Bald Eagle Area (Saturday 02/04/2017 9:00 am to noon)

Boggs Township Community Center; 1290 Runville Road; Bellefonte PA 16823

Bellefonte Area (Monday, 02/06/2017 3:00 pm to 7:00 pm)

Centre County Library Bellefonte Branch; 200 N Allegheny St; Bellefonte, PA 16823

State College Area (Monday 02/13/2017 3:00 pm to 7:00 pm)

State College Borough Municipal Building; 243 S Allen Street; State College PA 16801

Penns Valley Area (Saturday 02/18/2017 9:00 am to noon) Room 206

Old Gregg School Community & Recreation Center; 106 School Street; Spring Mills, PA 16875

Line-by-Line Instructions for the Taxpayer Final Earned Income and Net Profits (EIT) Tax Return. For more detailed instructions, please contact the Tax Office or visit the website.

Electronic filing is also available on our website through eFiling.

WEBSITE: [www.statecollegepa.us](http://www.statecollegepa.us)

Line	Instructions
1	Report your total W-2 income/compensation. Submit one copy of all Form W-2(s) with your return. For full year residents use the worksheet on the back of the tax return. Carry the total(s) to this line on the tax return front. Part-year residents must complete the proration worksheet. The part-year resident worksheet is found on the website or by requesting a form from our office. If you work in an area that the worksite tax rate exceeds your home resident tax rate you must complete the section on the non-resident worksheet that applies. This will determine the amount that can be claimed for local taxes withheld. Most taxpayers can use their Form W-2(s) as the source for obtaining their local wages, however, please keep in mind that employers can incorrectly list local wages. If there are no wages listed in the local wage box use the amount listed in the state wage box first, if none listed use amount listed in federal wage box. If the wages shown in the local wage box are lower than the wages shown in the federal, social security, or state wage boxes, the highest amount will be used for local wages unless the W-2, or information you provide, explains the difference as non-taxable for local purposes. If the form W-2(s) has different amounts reported, you may want to ask your employer what makes up these differences and contact our office to verify the correct amounts to use.
2	Taxpayers should enter the amount of their allowable business expenses by taking the total reported on their PA UE Form. The total must be prorated if the taxpayer reported a move for the tax year. In order to claim the expenses they must be explained in detail and documentation must be available for the tax office's review. The taxpayer has the burden of proving that any expense claimed as a deduction from earned income is ordinary, actual, reasonable, necessary, directly related and 100% required for employment in order to be deducted from earned income. We follow the Pennsylvania Individual Income Tax regulations and guidelines. For additional information see the "Allowable Business Expense" section of the PA 40 instruction booklet.
3	Subtract line 2 from line 1 and enter total here.
4a	Taxpayers should complete the back side of the tax return to calculate the overall net effect of the other taxable income. This includes net profits from Schedule C as well as Schedule F for farming activities, Form 1065 for Partnership activities (K-1). PA Schedules are preferred for we follow the Pennsylvania Individual Income Tax regulations and guidelines. If the combined calculation for each taxpayer results in a loss, the value that is added to the adjusted W-2 income is zero. Losses cannot be used to decrease W-2 earnings. It should be noted that the income for the taxpayer and spouse cannot be combined. A loss from a taxpayer cannot be used against income for his/her spouse.
4b	Report other taxable income that is not listed on a PA Schedule such as Form 1099 income and miscellaneous income. Please include copies of Form 1099's and miscellaneous income documentation if available. Types of Form 1099's that are taxable: 1099 MISC, 1099-K if self-employed, and 1099-R with a distribution Code of 1 or 2 for early retirement payments. Other types of Form 1099's such as 1099 INT, 1099 DIV, 1099-G and 1099-R for normal retirement and direct rollover are not taxable for local tax purposes. Other sources of income that may not have a form for reporting purposes. Examples of these other incomes sources include but are not limited to: patents, fees, honoraria, etc. Any questions as to the taxability of income should be directed to the tax office.
5	Add amounts from line 3, 4a and 4b and enter total here.
6	<p>(a) Taxpayers in PA file with the appropriate tax collector a local EIT return for the municipality/school district where they declare their legal tax home. If your tax home does not levy an EIT, your work site can tax your earnings at a non-resident tax rate if one has been enacted. If you have received a CTA tax return but have a legal tax home outside Centre County which levies an EIT, please file with that municipality/school district and provide to CTA a copy of your tax return, attachments, and proof of payment. The proof of filing elsewhere will allow us to correct our records and to transfer any withholdings that are available to the applicable tax office. To be subject to filing a non-resident return using your worksite non-resident tax rate, you would be an individual that does not claim legal domicile with the political subdivision where you are employed and have no local filing requirement where you declare your legal tax home. You would be subject to file a tax return if your employer failed to withhold at the correct <u>non-resident work site tax rate</u> and your return resulted in a refund to you or a balance due to Centre Tax Agency. No tax return is required if your employer withheld the proper non-resident worksite tax rate and your return would result in an even return. If it is necessary to file a return with our office as a non-resident you must provide non-resident documentation to reconcile the tax return. Such documentation would be: a copy of your valid passport, including current visa and/or current I-20 or DS-2019 Form issued from The Pennsylvania State University (this documentation applies to International students); a copy of your current driver's license; out-of-state tuition paid receipt; or a copy of a current state tax return filed with your legal domicile. In addition to filing your tax return, you may also need to update your employer's payroll withholding records to ensure that future withholdings are completed at the correct local tax rate. The tax office has created a worksheet to assist non-resident taxpayers whose employment involved work sites in more than one municipality. Please visit our website for this form or by requesting a form from our office.</p> <p>(b) If you moved between two different municipalities you are required to file the Part-Year Resident Worksheet. In an effort to prevent an individual from filing more than one tax return to the same tax collector, you may report the combined total local income, total expenses, total calculation of the tax and total local withholdings on the appropriate line of the tax return if you have determined that you moved between municipalities for which the Centre Tax Agency is the collector. If only one of your residences is collected by Centre Tax Agency then you should only report the total local income, total expenses, total calculation of tax and tax withholdings calculated for that residence on the appropriate lines of the tax return.</p>
7	<p>(a) <b>Tax Withheld by Employer</b> - Enter the total local tax withheld as reported on Form W-2(s), the prorated share as calculated on your part-year resident worksheet and/or the calculated credit allowed amount if you worked in an area where the non-resident worksite tax rate exceeds your home resident tax rate. This total should not include local income tax withheld and/or paid to the City of Philadelphia or states other than Pennsylvania. Do not include Local Services Tax withheld if it appears on your Form W-2(s).</p> <p>(b) <b>Quarterly Tax Payments</b> - This line should include the total self-payments that you or your spouse made for the tax year.</p> <p>(c) <b>Prior Year Overpayment</b> - This line should include any amount of credit that you have available from a prior year tax return. The tax office will confirm this overpayment based on your prior years' tax returns filed. Do not include overpayments for prior years that were refunded to you.</p> <p>(d) <b>Credit for tax paid to other states</b> - This line allows the taxpayer to include an amount that is available as an out-of-state tax credit. This amount is determined by completing a Schedule G and including a photocopy of the other state tax return and a copy of your PA state tax return and PA Schedule G. Schedule G is found on the website or by requesting a form from our office.</p> <p>(e) <b>Total</b> - Line 7(e) is a field that the taxpayer uses to sum all credits that are available. The total credits will be compared to the total tax liability.</p>
8	A taxpayer who has credits that are greater than the tax year liability can elect to have the excess credits refunded, credited to a future tax year, credited to a spouses' balance due, or split between a refund and credit. Lines 8(a) and (b) should be used for these purposes. If you wish to have your refund direct deposited, please fill out the proper information on the tax form otherwise your refund will be issued as a paper check. Please note that refund and credit requests without documentation required for the filing of a complete, accurate tax return will delay your requests. Refund requests of \$1.00 or less will not be honored. Tax returns beginning with tax year 2012 must be rounded up or down (when applicable) to whole dollars.
9	The amount calculated as your balance due represents the unpaid balance of the tax liability. If the balance due is a \$1.00 or less, no payment is due. Please note that if your tax liability has resulted in an underpayment, you may be required to remit quarterly self-payments for future tax years.
9a	You may apply a credit from a spouse to offset your balance that is due.
10a	Penalty is 1% per month and Interest is .25% per month if paid after the due date. Penalty and interest are calculated on the unpaid amount of the tax liability. Please note, filing an extension of time to file a return does not grant an extension for the payment of tax. Penalty is calculated at 1% for each month or fraction of month during which the tax remains unpaid. Interest is calculated by using the rate established under the Pennsylvania Fiscal Code, 53 P.S. § 806. Under 53 P.S. § 806, the Pennsylvania Secretary of Revenue in January of each year announces an interest rate applicable for that calendar year. The interest rate applicable for calendar year 2016 is 3% per annum.
10b	Tax returns beginning with tax year 2016 will have a late filing fee added in the amount of \$25.00 for any return that is not filed by the due date listed on the return. If an extension form is filed with our office by the due date the fee will reflect the due date on the extension. Additional fees will also be imposed for individuals that are making late payments, non-payments, requesting payment plans and failed to make quarterly self-payments that were required. A schedule of the collection costs can be found on our website.
11	Once you have determined the payment due you should remit payment with the return of the amount shown on line 11. Payee information for your payment appears on the front of the tax return. Please indicate on the check/money order the name of the taxpayer, tax year, and last four digits of the social security number.
12	If filing a combined return, enter amount enclosed. (A payment due & a credit balance may be combined.)