

LANCASTER COUNTY EARNED INCOME TAX RETURN INSTRUCTIONS

◆◆ [Online Filing is available @ http://lctcb.localtaxonline.org](http://lctcb.localtaxonline.org) ◆◆

GENERAL INFORMATION:

This tax return covers the tax period from January 1, through December 31, and must be completed and filed with this bureau by April 15th. This is an earned income and net profits tax, levied by school districts and municipalities, collected by this Bureau, and distributed to the school district and municipality where you reside. The Bureau retains the right to request additional documentation to substantiate the information reported.

WHO MUST FILE:

All residents of Lancaster County and the Octorara Area School District in Chester County who were 16 years of age or older; not fully retired or had earned income at any time during the tax year. A tax return must be filed even if no tax is due or your employer(s) withheld all tax due. Failure to receive a tax return shall not excuse the taxpayer from filing a return, or paying any tax due. Tax return forms are available on our website, www.lctcb.org, or by contacting the Bureau.

INSTRUCTIONS FOR COMPLETING TAX RETURN

Section A

- If the information is not pre-printed, please provide your name, current address, city, state and zip code in the space(s) provided.
- If a taxpayer is to be removed from this form, draw a line through the taxpayer to be removed and check the appropriate box.
- If you are requesting an extension or filing an amended return check the appropriate box.
- Taxpayers reporting no earned income must check the applicable box.
- PIN number for online filing use.
- Check the appropriate filing status box.

Section B Complete this section if you moved during the tax year. Account for all 12 months.

Section C Enter the municipal code from Table 1 for your residence as of December 31.

Section D Enter your complete social security number(s) in the appropriate column(s).

TAX COMPUTATION:

Lines 1 through 25 provide two columns. All information for Taxpayer A and Taxpayer B must be recorded in the appropriate columns.

- Line 1** Enter total gross earned income as indicated on your W-2(s). Include copies of W-2(s) when mailing return. **Report only income earned while a resident of our jurisdiction.** Examples of taxable and non-taxable income are listed in Table 2 on the reverse side. This is not, however, intended to be a complete listing. If you are not sure about a certain item, please contact the Bureau office for clarification.
- Line 2** Enter total business expenses (include supporting documentation Pennsylvania State Form PA-UE). Expenses for which an employee has not been reimbursed are allowable as a deduction from gross earned income, provided such expenses are allowable for Pennsylvania State Income Tax purposes. These expenses must be ordinary, necessary, and required by the employer in order for the taxpayer to keep his/her present job. Examples of business expenses are listed in Table 2 on the reverse side. This is not, however, intended to be a complete listing.
NOTE: Business expenses reported without enclosing proper supporting documentation or schedules will be denied without notification to the taxpayer.
- Line 3** Enter earned income not reported on Line 1. Interest and dividends earned are not taxable and should not be included.
- Line 4** Enter the total of Line 1 minus Line 2 plus Line 3. If less than zero, enter zero.
- Line 5** Report all self-employment profits and include all supporting schedules (PA Schedule C, PA Schedule F and/or PA Schedule K-1). PA Schedule C-F is **not** acceptable. Report S Corp profits on reverse side of the return only.
- Line 6** Report all self-employment losses and include all supporting schedules (PA Schedule C, PA Schedule F and/or PA Schedule K-1). PA Schedule C-F is **not** acceptable. Report S Corp losses on reverse side of the return only.
- Line 7** Enter the total of Line 5 minus Line 6. If less than zero, enter zero.
- Line 8** Enter the total of Line 4 plus Line 7.
- Line 9** Enter the total of Line 8 multiplied by the decimal tax rate table (see Table 1 on the reverse side) Example 1.000% = 0.010, 1.75% = 0.0175
- Line 10** Enter the sum of the amount(s) recorded in the "LOCAL INCOME TAX" box of W-2(s). Credit for this amount will only be given if W-2(s) are provided with the filing. **Do not include Local Services Tax, Philadelphia City, Pittsburgh City and/or Other State credits.**
- Line 11** Enter the sum of quarterly payments, estimated payments and previous year's credit applied to this year.
- Line 12** Enter the total Philadelphia City and/or Other State credit. There is no credit for taxes paid to Pittsburgh. Refer to the instructions below and/or the worksheet on the reverse side of the return.
- Line 13** Enter the sum of Lines 10, 11 and 12.
- Line 14** Enter a value on this line only if Line 13 minus Line 9 is greater than or equal to a \$2.00.
- Line 15** Enter credit amount being applied in the column of the individual receiving the credit or overpayment and check the appropriate box. Failure to choose an option for your overpayment will result in a refund. LCTCB is required to report refunds/credits of \$10.00 or more to the Internal Revenue Service.
- Line 16** Enter a value on this line only if Line 9 minus Line 13 minus any credit from spouse that is greater than or equal to \$2.00.
- Line 17** An additional penalty of one percent (1%) will apply to the amount of unpaid tax for each month, or partial month during which the tax remains unpaid. A late filing fee will be imposed on any return filed after the due date.
- Line 18** Payment made after the due date will be subject to interest at the rate established for the tax year by the Commonwealth of PA. under Section 806.
- Line 19** Enter the total of Lines 16, 17 and 18. Acceptable forms of payment include checks, money order, cash and credit cards. You may elect to pay by VISA, MasterCard, American Express or Discover Card provided by Official Payments Corp. This service is available by going to our website, www.lctcb.org, by phone 1-800-272-9829 or by visiting the Bureau office. Payments through Official Payments Corp. will incur a convenience fee.
- Line 20** Sign and date the tax return. Complete all information requested. Please provide a daytime telephone number in the event there are any questions about this filing.
- Line 21** Enter your complete Social Security number.
- Line 22** Enter Tax Due from Line 16.
- Line 23** Enter Penalty and Fees from Line 17.
- Line 24** Enter Interest from Line 18.
- Line 25** Enter the total from Line 19.

Mailing Instructions: Mail your return and all appropriate documentation as follows:

Payments:	LCTCB - PAYMENT • PO BOX 11444 • Lancaster, PA 17605-1444
Refund:	LCTCB - REFUND • PO BOX 11445 • Lancaster, PA 17605-1445
No Payment/No Refund:	LCTCB - NO PYMT/REF • PO BOX 11446 • Lancaster, PA 17605-1446

SCHEDULE P INSTRUCTIONS

WHO MUST FILE THIS FORM

All residents of Lancaster County and the Octorara Area School District in Chester County who file a Lancaster County Earned Income Tax form and meet ANY of the following criteria during any part of the tax year:

- Moved in to the LCTCB jurisdiction
- Moved out of the LCTCB jurisdiction

SECTION A: List each Employer or Other source of income; the corresponding dates for each source; the amount of wages and tax due to each collector for each source in the columns under the appropriate taxpayer. If you moved during the tax year and pro-ratio of earnings and/or withholdings is required, please supply the information requested on Schedule P, **Please list residences outside our jurisdiction as code 991111. Please account for all 12 months. DO NOT report income earned while your residence was outside our jurisdiction.**

SECTION B: List total Net Profits and Loss(es) incurred during the tax year while you were a resident in our jurisdiction. Separate profits and loss(es) between LCTCB and the other collector. Do not report profits or loss(es) incurred while residing in another jurisdiction.

SECTION C: List all other earned income incurred during the tax year while you were a resident in our jurisdiction. Separate income between LCTCB and the other collector. Do not report income incurred while residing in another jurisdiction.

PHILADELPHIA TAX/OTHER STATE CREDIT INSTRUCTIONS

Other State (Line 12): Credit is limited to the combined resident tax rate as levied under Chapter 3 of the Local Tax Enabling Act, not to exceed 1%. The credit will be applied only to the extent that the income taxed by the other State represents the income subject to the local tax. No credit will be allowed against compensation received in Maryland, Ohio, West Virginia, Indiana, New Jersey or Virginia which are reciprocal states.

Philadelphia City (Line 12): Credit is limited to the combined resident tax rate as levied under Chapter 3 of the Local Tax Enabling Act, not to exceed 1%. The credit will be applied only to the extent that the income taxed by Philadelphia, represents the income subject to the local tax.

Pittsburgh Tax: No credit is available on Pittsburgh withholding. The taxpayer should apply to Pittsburgh for a refund and/or withholding exemption from the Pittsburgh tax.

TABLE 1 Please Note Municipal Codes Have Changed

SCHOOL DISTRICT Municipality	MUNICIPAL CODE	PERCENTAGE TAX RATE	DECIMAL TAX RATE	SCHOOL DISTRICT Municipality	MUNICIPAL CODE	PERCENTAGE TAX RATE	DECIMAL TAX RATE	SCHOOL DISTRICT Municipality	MUNICIPAL CODE	PERCENTAGE TAX RATE	DECIMAL TAX RATE
COCALICO				HEMPFIELD				PEQUEA VALLEY			
Adamstown Boro	360101	1.000%	0.010	E Hempfield Twp	360801	1.000%	0.010	Leacock Twp	361501	1.000%	0.010
Denver Boro	360102	1.000%	0.010	E Petersburg Boro	360802	1.000%	0.010	Paradise Twp	361502	1.000%	0.010
E Cocalico Twp	360103	1.000%	0.010	Mountville Boro	360803	1.000%	0.010	Salisbury Twp	361503	1.000%	0.010
W Cocalico Twp	360104	1.000%	0.010	W Hempfield Twp	360804	1.000%	0.010	SOLANCO			
COLUMBIA				LAMPETER/STRASBURG				Bart Twp	361601	1.650%	0.0165
Columbia Boro	360201	1.000%	0.010	Strasburg Boro	360901	1.000%	0.010	Colerain Twp	361602	1.650%	0.0165
CONESTOGA VALLEY				Strasburg Twp	360902	1.000%	0.010	Drumore Twp	361603	1.650%	0.0165
E Lampeter Twp	360301	1.000%	0.010	W Lampeter Twp	360903	1.000%	0.010	E Drumore Twp	361604	1.650%	0.0165
Upper Leacock Twp	360302	1.000%	0.010	W Lampeter Twp Annex	360999	1.100%	0.011	Eden Twp	361605	1.650%	0.0165
W Earl Twp	360303	1.000%	0.010	LANCASTER				Fulton Twp	361606	1.650%	0.0165
E Lampeter Twp Annex	360399	1.100%	0.011	Lancaster City	361001	1.100%	0.011	Little Britain Twp	361607	1.650%	0.0165
DONEGAL				Lancaster Twp	361002	1.000%	0.010	Providence Twp	361608	1.650%	0.0165
E Donegal Twp	360401	1.000%	0.010	MANHEIM CENTRAL				Quarryville Boro	361609	1.650%	0.0165
Marietta Boro	360402	1.000%	0.010	Manheim Boro	361101	1.000%	0.010	WARWICK			
Mount Joy Boro	360403	1.000%	0.010	Penn Twp	361102	1.000%	0.010	Elizabeth Twp	361701	1.150%	0.0115
Mount Joy Twp	360404	1.000%	0.010	Rapho Twp	361103	1.000%	0.010	Lititz Boro	361702	1.150%	0.0115
EASTERN LANCASTER COUNTY				MANHEIM TOWNSHIP				Warwick Twp	361703	1.150%	0.0115
Brecknock Twp	360501	1.000%	0.010	Manheim Twp	361201	1.000%	0.010	OUT OF AREA			
Caernarvon Twp	360502	1.000%	0.010	OCTORARA AREA				Out of Area	991111		
Earl Twp	360503	1.000%	0.010	Atglen Boro	361301	1.000%	0.010				
E Earl Twp	360504	1.000%	0.010	Highland Twp	361302	1.500%	0.015				
New Holland Boro	360505	1.000%	0.010	Londonderry Twp	361303	1.250%	0.0125				
Terre Hill Boro	360506	1.000%	0.010	Parkesburg Boro	361304	1.000%	0.010				
ELIZABETHTOWN AREA				W Fallowfield Twp	361305	1.000%	0.010				
Conoy Twp	360601	1.000%	0.010	W Sadsbury Twp	361306	1.200%	0.012				
Elizabethtown Boro	360602	1.000%	0.010	Christiana Boro	361307	1.000%	0.010				
Mount Joy Twp	360603	1.000%	0.010	Sadsbury Twp	361308	1.000%	0.010				
W Donegal Twp	360604	1.000%	0.010	PENN MANOR							
EPHRATA AREA				Conestoga Twp	361401	1.000%	0.010				
Akron Boro	360701	1.000%	0.010	Manor Twp	361402	1.000%	0.010				
Clay Twp	360702	1.000%	0.010	Martic Twp	361403	1.000%	0.010				
Ephrata Boro	360703	1.000%	0.010	Millersville Boro	361404	1.000%	0.010				
Ephrata Twp	360704	1.000%	0.010	Pequea Twp	361405	1.000%	0.010				

TABLE 2

TAXABLE INCOME:	NON-TAXABLE INCOME:	ALLOWABLE BUSINESS EXPENSES:	NON-ALLOWABLE BUSINESS EXPENSES:
<ul style="list-style-type: none"> Gross Wages and Salaries Commissions Bonuses Stock Options Deferred (Tax Sheltered) Contributions Net Income from Business, Farm, Limited Liability Company, Limited Liability Partnership, or General Partnership Executor and Director Fees Vacation Pay Separation Pay Union Pay Tips and Allocated Tips Regular Wages Received During Sickness or Disability Taxable Fringe Benefits Jury Duty Pay Stipends or Fellowships when Compensation for Services Rendered Taxes Assumed by Employer Foreign Earnings Non-Compete Payments 	<ul style="list-style-type: none"> Interest Income Dividends Capital Gains S Corporation Profits in Excess of Services Rendered (Except for Wages and Salaries) Pension Benefits Annuities and IRA Benefits Third Party Sick Pay or Disability Benefits Social Security Benefits Unemployment Benefits Ordained Clergy Housing Allowance Public Assistance Benefits Lottery Winnings Life Insurance Policy Proceeds Workers Compensation Meals and Lodging for Employers Convenience Rental Income 	<ul style="list-style-type: none"> Union Dues Professional Dues and License Fees Cost of Small Tools Uniforms and Work Clothing not Suitable for Everyday Use Educational Expenses Required by Your Employer in Order to Keep Your Current Job or Position Expenses Properly Deductible on The PA Income Tax Return 	<ul style="list-style-type: none"> Child Care Expenses Club Dues or Fees Medical Expenses Charitable Contributions Taxes Employment Fees Sabbatical Leave Expenses Educational Expenses NOT Required By Your Employer Contributions To Retirement, Pension, or Salary Reduction Plans Insurance Premiums Moving Expenses-Unless Required By Your Employer

SPECIAL INSTRUCTIONS

Extension Requests An extension of time does not extend the time to pay the earned income tax. Time to file will be extended to October 15th, provided the following are adhered to: (1) the box in this section is marked with an "X", indicating a request for additional time to file; (2) the extension request is received on or before the original due date; (3) an estimated payment is included with this initial filing.

Amended Returns Check box on the front of the return and complete the return in its entirety. Provide all supporting documentation.

Blended Tax Rate (Line 9): If your tax rate changes during the year, the tax rate applied to Earned Income and Net Profits will be a blended rate based on the number of full months each rate applies. The blended tax rate calculator is available on our website, www.lctcb.org. The blended rate will be calculated by dividing each tax rate by the number of months you resided in LCTCB's jurisdiction, multiplied by the number of months applicable. If you lived in LCTCB jurisdiction the entire year, divide by 12. The result of each applicable tax rate will be added to determine the blended rate to apply to the total Earned Income and Net Profits. The rate shall be calculated to five decimal places. The tax rate applicable for the greatest number of days during any month shall be the tax rate for the month. This calculation applies to:

- Tax rate change by taxing district
- Tax rate change caused by taxpayer moving between taxing districts with different rates if income reported on the annual return represents only income taxable at one rate, that rate applies, not a blended rate.

Lancaster County Tax Collection Bureau collects the earned income/net profits tax for the school districts and municipalities listed on the instructions sheet. If you were a resident of any of the municipalities or school districts for all or any portion of the tax year, you are required to file a written form with this tax bureau.

Taxpayers Bill of Rights Notice: You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local earned income and net profits taxes by requesting the Taxpayers Bill of Rights Disclosure Statement. To obtain a copy, call LCTCB at (717) 569-4521, or send written request to LCTCB, 1845 William Penn Way, Suite 1, Lancaster, PA 17601-6713 or visit our website at www.lctcb.org.

FOR ASSISTANCE WITH YOUR EARNED INCOME TAX RETURN:

- Phone: (717) 569-4521
- Website: www.lctcb.org
- Office: 1845 William Penn Way, Suite 1
Lancaster, PA. 17601

PLEASE CALL FOR OFFICE HOURS.