berkheimer
digital tax solutions
PO Box 25130
Lehigh Valley, PA 18002-5130

Scan for FAQs

TAXPAYER ANNUAL LOCAL EARNED INCOME TAX RETURN F-1 EIT

WEB

RESIDENT JURISDICTION:

TAX YEAR

Did you move during the year? If yes, check here and see back of form. ☐

Name
Address
City
State
&
Zip

(internal)
FM ☐

ACCOUNT #

EXTENSION ☐ AMENDED RETURN ☐

EMAIL

EMAIL:

To file online, visit **www.berk-e.com**

DAYTIME/MOBILE PHONE NUMBER*

RESIDENT PSD CODE

* By providing your phone number, you consent to be contacted regarding your account via this number.

Only use **BLACK** or **BLUE** ink to complete this form.
Please do not submit copies of this form.
Do not use staples.

- There will be a $29.00 fee for returned payments.
- Penalty, interest and additional fees will be assessed if no payment is enclosed for tax due at time of filing.

The calculations reported in the first column MUST pertain to the name printed in the column, regardless of which spouse appears first. **Combining income is NOT permitted.**

☐ Single ☐ Married, Filing Jointly ☐ Married, Filing Separately

Enter Social Security # A

If you had NO EARNED INCOME, check the reason why:

☐ disabled ☐ student
☐ deceased ☐ military
☐ homemaker ☐ retired
☐ unemployed

ENTER SPOUSE'S NAME

Enter spouse's Social Security # B

If you had NO EARNED INCOME, check the reason why:

☐ disabled ☐ student
☐ deceased ☐ military
☐ homemaker ☐ retired
☐ unemployed

1. Gross Compensation as Reported on W-2(s). (Enclose W-2(s))	0 0	0 0
2. Unreimbursed Employee Business Expenses. (Enclose PA Schedule UE)	0 0	0 0
3. Other Taxable Earned Income *	0 0	0 0
4. **Total Taxable Earned Income** (Subtract Line 2 from Line 1 and add Line 3)	0 0	0 0
5. Net Profit (Enclose PA Schedules*)	0 0	0 0
NON-TAXABLE S-Corp earnings check this box: ☐		
6. Net Loss (Enclose PA Schedules*)	0 0	0 0
7. Total Taxable Net Profit (Subtract Line 6 from Line 5. If less than zero, enter zero)	0 0	0 0
8. Total Taxable Earned Income and Net Profit (Add Lines 4 and 7)	0 0	0 0
9. **Total Tax Liability** (Line 8 multiplied by)	0 0	0 0
10. Total Local Earned Income Tax Withheld (**MAY NOT EQUAL W-2** - SEE INSTRUCTIONS)*	0 0	0 0
11. Quarterly Estimated Payments/Credit From Previous Tax Year	0 0	0 0
12. Out of State or Philadelphia credits* (include supporting documentation)	0 0	0 0
13. **TOTAL PAYMENTS and CREDITS** (Add lines 10 through 12)	0 0	0 0
14. **Refund** IF MORE THAN $1.00, enter amount (or select option in 15)	0 0	0 0
If you calculate a refund due, you may be denied. Please see Line 10 instructions.		
15. **Credit Taxpayer/Spouse** (Amount of Line 14 you want as a credit to your account)	0 0	0 0
☐ **Credit to next year** ☐ **Credit to spouse**		
16. **EARNED INCOME TAX BALANCE DUE** (Line 9 minus Line 13)	0 0	0 0
17. **Penalty after due date** (multiply line 16 by 0 x number of months (or a fraction of) late)	0 0	0 0
18. **Interest after due date** (multiply line 16 by x number of months (or a fraction of) late)	0 0	0 0
19. **TOTAL PAYMENT DUE** (Add Lines 16, 17, and 18) Payable to HAB-EIT	0 0	0 0

See Instructions

Under penalties of perjury, I (we) declare that I (we) have examined this information, including all accompanying schedules and statements and to the best of my (our) belief, they are true, correct and complete.

YOUR SIGNATURE	SPOUSE'S SIGNATURE (If Filing Jointly)	DATE (MM/DD/YYYY)
PREPARER'S PRINTED NAME & SIGNATURE		PHONE NUMBER

You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local taxes by calling Berkheimer at 610-599-3182. Or, you can visit our website at www.hab-inc.com.
Berkheimer is not the appointed tax hearing officer for your taxing district and will not accept any petitions for appeal. Petitions for appeal must be filed with the appropriate appeals board for your County. Berkheimer can provide you with the proper procedures and forms necessary to file an appeal with the appeals board for your Tax Collection District.

A NOTE FOR RETIRED AND/OR SENIOR CITIZENS If you are retired and are no longer receiving wages or income from a business you may not owe an earned income tax. Social security payments, payments from a qualified pension plan and interest and/or dividends accrued from bank accounts and/or investments are not subject to the local earned income tax. If you received a local earned income tax form and are retired with no earned income, check the appropriate box on the front of this form and return it to us.

S-CORPORATION PROFIT/LOSS REPORT - Use this if you checked the box on line 5 on the front of this return.

To avoid future correspondence add any s-corporation profits or losses that you reported on your PA-40 return in these boxes.

TAXPAYER A: , , , 0 0

TAXPAYER B: , , , 0 0

LINES 5 & 6: NET PROFITS/NET LOSSES FROM BUSINESS:
Use line 5 for profit and line 6 for loss. DOCUMENTATION REQUIRED: 1099(s), Phila BIRT/NPT, PA schedules C, E, F, or K-1 must be enclosed (photocopies are accepted).

EARNED INCOME TAX WITHHELD WORKSHEET
Complete this worksheet for line 10 on the front of this return if you work in an area where the non-resident tax exceeds your home resident tax rate.

	(1) Local Wages (W2 box 16 or 18)	(2) Tax Withheld (W2 box 19)	(3) Home Location Resident Rate (See page 1, line 9)	(4) Work Location Non-Resident Rate (See Instructions)	(5) Col 4 minus Col 3 (if less than 0 enter 0)	(6) Disallowed Withholding Credit (Col 1 x Col 5)	(7) Credit Allowed For Tax Withheld (Col 2 - Col 6)
Example	$10,000	$130	1.25%	1.30%	0.05%	$5.00	$125.00
1.							
2.							
3.							
					TOTAL - Enter this amount on Line 10		

NON-RECIPROCAL STATE WORKSHEET - See Instructions for line 12

EARNED INCOME: Taxed in other state as shown on the state tax return.
Enclose a copy of state return or credit will be disallowed..... (1) _____
Local tax rate as specified in instructions for line 12 ..... X _____
(2) _____

Tax Liability Paid to other state(s) ..... (3)_____
PA Income Tax (line 1 x PA Income Tax rate for year being reported) ..... (4)_____
CREDIT to be used against Local Tax
(Line 3 minus line 4). On line 12 **enter this amount or the amount on line 2 of worksheet, whichever is less.** (If less than zero, enter zero) ..... (5) _____

LOCAL WORKSHEET (Moved During the Year) - Use this for Social Security Number A. For Spouse's (Social Security Number B on front of form) move information or for additional space for Social Security Number A, download an additional form from www.berk-e.com.

	DATES LIVING AT EACH ADDRESS	STREET ADDRESS, CITY, STATE, ZIP	TWP OR BORO	PSD CODE	COUNTY
1	TO				
2	TO				
3	TO				

INCOME PRORATION - ADDRESS 1 for Social Security Number A on front of form

	Local Income	Divided by 12	Multiply by # of Months at Address 1	Total Income	Withholding	Divided by 12	Multiply by # of Months at Address 1	Total Withholding
Employer 1	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Employer 2	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Employer 3	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Subtotal Income at Address 1 for all Employers:				=$	Subtotal Withholding at Address 1 for all Employers:			=$

INCOME PRORATION - ADDRESS 2 for Social Security Number A on front of form

	Local Income	Divided by 12	Multiply by # of Months at Address 2	Total Income	Withholding	Divided by 12	Multiply by # of Months at Address 2	Total Withholding
Employer 1	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Employer 2	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Employer 3	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Subtotal Income at Address 2 for all Employers:				=$	Subtotal Withholding at Address 2 for all Employers:			=$

INCOME PRORATION - ADDRESS 3 for Social Security Number A on front of form

	Local Income	Divided by 12	Multiply by # of Months at Address 3	Total Income	Withholding	Divided by 12	Multiply by # of Months at Address 3	Total Withholding
Employer 1	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Employer 2	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Employer 3	$	÷ 12 =	x	=$	$	÷ 12 =	x	=$
Subtotal Income at Address 3 for all Employers:				=$	Subtotal Withholding at Address 3 for all Employers:			=$

LOCAL EARNED INCOME TAX RETURN

I2176 103018

A. GENERAL INSTRUCTIONS

1. WHEN TO FILE: This return must be completed and filed by all persons subject to the tax on or before the federal filing date, which is normally April 15 (unless the 15th is a Saturday or Sunday then file the next business day), regardless of whether or not tax is due. If you file a Federal or State Application for Extension, check the extension box on the front of the form and send this form along with your estimated payment by the federal filing date. If you use a professional tax preparer verify if you are responsible to submit your final return or if it was submitted for you.
2. WHERE TO FILE: Remit to the address printed on the tax return or see if you are eligible to file online at **www.hab-inc.com**.
3. EFFECTIVE DATES: January 1 through December 31, unless otherwise noted on your Local Earned Income Tax Return.
4. AMENDED RETURN: If a taxpayer amends his federal income tax return, an amended Local Earned Income Tax Return must also be filed with this office. Check the Amended Return box on the front of the form.
5. RECEIPT / COPY: Your cancelled check is sufficient proof of payment.
6. PENALTY AND INTEREST: If for any reason the tax is not paid when due, Penalty and Interest will be charged. Any late, incorrect filing or payment may result in fees and penalties including a 10% Delinquent Account Servicing fee.
7. ROUND OFF CENTS to the nearest whole dollar. Do not include amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar amount.
8. USE BLACK OR BLUE INK ONLY WHEN COMPLETING THIS FORM. DO NOT USE RED INK.
9. Do not staple documents or paper to form.
10. Please submit the original form only, do not submit copies. If additional blank copies are needed, please go to **www.hab-inc.com**.

B. REGULATIONS/LINE BY LINE INSTRUCTIONS

LINE 1: GROSS EARNINGS FOR SERVICES RENDERED

DOCUMENTATION REQUIRED: W-2(S) must be enclosed (photocopies are accepted).

LINE 1: TAXABLE INCOME INCLUDES: Salaries; Wages; Commissions; Bonuses; Tips; Stipends; Fees; Incentive Payments; Employee Contributions to Retirement Accounts; Compensation Drawing Accounts (if amounts received as a drawing account exceed the salaries or commission earned, the tax is payable on the amounts received. If the employee subsequently repays to the employer any amounts not in fact earned, the tax shall be adjusted accordingly); Benefits accruing from the employment, such as: Annual Leave, Vacation, Holiday, Separation, Sabbatical Leave; Compensation received in the form of property shall be taxed at its fair market value at the time of receipt; Jury Duty Pay; Military Pay for Services Other than Active Duty; Sick Pay (if employee received a regular salary during period of sickness or disability by virtue of his agreement of employment); Taxes assumed by the Employer.

NON-TAXABLE INCOME INCLUDES: Social Security Benefits; Unemployment Compensation; Pensions; Public Assistance; Death Benefits; Gifts; Interest; Dividends; Boarding and Lodging to employees for convenience of employer; Lottery Winnings; Supplementary unemployment benefits (sub pay); Capital Gains (Capital losses may not be used as a deduction against other taxable income); disability benefits (Periodical payments received by an individual under a disability insurance plan.); Active Military Services; personal use of company cars; cafeteria plans; and clergy housing allowance. Some forms of payments from Individual Retirement Programs, such as Keogh, Tax Shelter Annuity, IRA, and 401K are not taxable. Taxpayer should refer to the PA Department of Revenue regulations regarding taxable compensation.

LINE 2: ALLOWABLE EMPLOYEE BUSINESS EXPENSES

DOCUMENTATION REQUIRED: Pennsylvania form PA-UE must be enclosed (photocopies are accepted).

LINE 3: OTHER TAXABLE EARNED INCOME: Include income from work or services performed which has not been included on line 1or line 5. Do not include interest, dividends or capital gains.

LINE 4: TOTAL TAXABLE EARNED INCOME: Subtract line 2 from line 1 and add line 3.

LINES 5 & 6: NET PROFITS/NET LOSSES FROM BUSINESS: Use line 5 for profit and line 6 for loss. DOCUMENTATION REQUIRED: 1099(s), Phila BIRT/NPT, PA schedules C, E, F, or K-1 must be enclosed (legible photocopies are accepted).

RULE: A taxpayer may NOT offset a business loss against wages and other compensation (W-2 earnings -- line 1). "Pass-through" income from an S-Corporation is NOT taxable and loss is not deductible. A taxpayer may offset a loss from one business entity against a net profit from another business entity.

LINE 7: TOTAL TAXABLE NET PROFIT: Subtract line 6 from line 5; if less than zero, enter zero.

LINE 8: TOTAL TAXABLE EARNED INCOME AND NET PROFIT: Add lines 4 & 7.

LINE 9: TAX LIABILITY: Multiply line 8 by the tax rate printed on the tax return. For example, if 1% use .01, if 1/2% use .005. If you don't know your rate, contact your local earned income tax collector where you live or visit www.newPA.com to find your rate.

LINE 10: EARNED INCOME TAX WITHHELD: If you work in an area that taxes non-residents at a higher rate than the resident rate where you live, **you may not be able to claim the entire amount of tax withheld on your W-2's**. If this is the case complete the worksheet on the back of the Final Return Form to calculate the amount of income tax withheld to enter on Line 10 of the Final Return. ***If this is not the case*** then combine the amount of tax withheld as reported in box 19 of your W-2's and report that amount on Line 10 of the Final Return. To determine if you work in an area that has a Non-Resident Tax Rate that exceeds the resident rate where you live, contact your employer or visit: http://munstats.pa.gov/Public/FindLocalTax.aspx

LINE 11: QUARTERLY ESTIMATED PAYMENTS/CREDITS FROM PREVIOUS TAX YEAR: List any quarterly estimated payments made to date for appropriate filing year. Do not include any penalty and interest amounts that may have been made with the quarterly payments. Also, include tax credit from the previous tax year.

NOTE: Taxpayers who expect to have net profits or wages not subject to withholding must report and timely pay quarterly estimated tax payments. Quarterly Estimated form DQ-1 is used to report the income and pay the tax each quarter and credit may be claimed on this line for any such advance payments of tax

LINE 12: : OUT-OF-STATE OR PHILADELPHIA CREDITS

GENERAL RULES APPLICABLE TO ALL LINE 12 CREDITS: (1) Credits for income taxes paid to other states must first be used against your Pennsylvania state income tax liability; any credit remaining thereafter may be used against your local earned income tax liability. (2) Credits for income taxes paid to political subdivisions located outside of Pennsylvania or for wage taxes paid to Philadelphia may be taken directly against your local earned income tax liability. (3) In calculating your credit for income taxes paid to another state or to a political subdivision, note that the same items of income must be subject to both your local earned income tax and the out-of state tax. **(4) No credit for income taxes paid to another state or political subdivision may exceed your total local earned income tax liability**.

CREDIT FOR TAXES PAID TO OTHER STATES: You may take a credit based upon the gross earnings taxed both in another state and in Pennsylvania that is in excess of the Pennsylvania state personal income tax rate. THIS CREDIT WILL BE DISALLOWED IF THE NON-RESIDENT STATE RETURN AND THE DOCUMENT SHOWING STATE INCOME TAX WITHHELD ARE NOT PROVIDED (W-2, K-1, Etc.). **No credits are given for state income taxes paid to states that reciprocate with the Commonwealth of Pennsylvania**. These states are: Maryland, New Jersey, Ohio, Virginia, West Virginia, and Indiana.

EXAMPLE: Taxpayer earned wages of $10,000.00 in Delaware and paid an income tax liability to that state of $317.00. Assuming the current Pennsylvania state tax rate is 3.07% for the tax year in question, since the $317.00 exceeds 3.07% (PA Tax) amount of $307.00 by $10.00, the $10.00 may be credited against your local income tax.

Gross Income	(1)	$10,000.00
Local tax rate as specified on front of the form		x .01
	(2)	100.00
Tax paid to Delaware	(3)	317.00
PA Income Tax (3.07% x $10,000.00)	(4)	307.00
Credit to be used against Local Tax (Line 3 minus Line 4)		
On Line 12 of the tax return, enter this amount or the amount on Line 2 of worksheet, whichever is less	(5)	10.00

If all your wages or gross earnings are subject to Delaware State Income Tax (not PA), use the above example to complete your tax obligation on Worksheet located on the reverse side of the tax return. If you had earned income NOT taxed by Delaware, this income would be subject to the earned income tax effective in your district and must be shown separately on the Local Earned Income Tax Return. You may not use any tax paid to another state as credit on earnings outside the other state.

CREDIT FOR TAXES PAID TO POLITICAL SUBDIVISIONS OUTSIDE OF PENNSYLVANIA: You may take a credit based upon the gross earnings taxed in both another political subdivision and in your home taxing district in Pennsylvania. THIS CREDIT WILL BE DISALLOWED IF THE FOREIGN CITY RETURN AND OR YOUR W-2 FORM SHOWING CITY INCOME TAX WITHHELD IS NOT PROVIDED.

CREDIT FOR TAXES PAID TO PHILADELPHIA: You may use any wage taxes paid to Philadelphia as a credit on wages, salaries and commissions, etc., or net profits earned outside of Philadelphia. A COPY OF YOUR W-2 AND/OR VERIFICATION OF TAXES PAID MUST BE ENCLOSED WITH THE FORM OR CREDIT WILL BE DISALLOWED. No refunds or credits will be allowed for any overpayment made to Philadelphia.

LINE 13: TOTAL PAYMENTS AND CREDITS: Enter the sum of lines 10, 11 & 12.

LINE 14: REFUND: Before calculating a refund, ensure that you have followed the instructions for Line 10 accurately. Most refund requests are denied because the amount of money withheld is claimed incorrectly. If tax due (line 9) is less than your credits (line 13), enter amount of refund. If you have an overpayment of taxes in excess of $1.00, you may elect to receive a refund or take as a credit against next year's tax liability. A 1099 will be issued to the Federal Government for any credit or refund in excess of $10.00.

LINE 15: CREDIT: If tax (line 9) is less than your credits (line 13) enter amount of credit and check the applicable box for credit to spouse or credit to next year. A 1099 will be issued to the Federal Government for any credit or refund in excess of $10.00.

LINE 16: AMOUNT OF TAX DUE: If tax (line 9) is larger than your credits (line 13), enter amount of tax due. If less than $1.00, ENTER ZERO.

LINE 17 & 18: INTEREST AND PENALTIES: If for any reason the tax is not paid when due, interest and an additional penalty of the unpaid tax for each month shall be added and collected. Additional costs will be charged for any return received after the due date.

LINE 19: TOTAL AMOUNT DUE: The sum of lines 16, 17 & 18. OMIT IF LESS THAN $1.00. Make Checks Payable to HAB-EIT. No cash payments accepted.

NOTE: All accounts are subject to audit and review. Local or city copy of W-2 and/or supporting schedules must be enclosed with tax return. (Photocopies of W-2s and schedules are accepted).

SUBMIT YOUR RETURN

For Returns with Payments:	For Returns with No Payment, No Refund:	For Returns with Refunds:
HAB FI Payment PO Box 25158 Lehigh Valley, PA 18002-5158	HAB FI None PO Box 25159 Lehigh Valley, PA 18002-5159	HAB FI Refund PO Box 25160 Lehigh Valley, PA 18002-5160