

INDIVIDUAL EARNED INCOME TAX RETURN

NORTHERN CAMBRIA BOROUGH

20____ Calendar year or fiscal year as approved by the Pennsylvania Department of Revenue: _____

Every taxpayer shall, on or before April 15, of the succeeding year, make and file with the officer a final return. It for any reason the tax is not paid when due, interest at the rate of six per cent per annum on the amount of said tax and an additional penalty of one-half of one per cent of the amount of the unpaid tax for each month or fraction thereof during which the tax remains unpaid, shall be added and collected. Where suit is brought for the recovery of any such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties imposed.

Name _____

Social Security No. _____

Address _____

Occupation _____

Phone No. _____

Spouse's Name _____

Employers Name(s) and address:

- 1. Total Earnings or net profit (Attach W-2 and/or State Income Tax Return with schedules) \$ _____
- 2. Allowable Expenses: (Attach State Schedule UE) \$ _____
- 3. TAXABLE INCOME \$ _____
- 4. Tax Amount (50% of Line 3) \$ _____
- 5. Credit for Payments: 1st Qtr. _____ 2nd Qtr. _____
3rd Qtr. _____ 4th Qtr. _____ \$ _____
- 6. Amount withheld by Employer (as shown on W-2) \$ _____
- 7. If Line 4 is greater than the sum of lines 5 & 6, enter Balance Due (Disregard if less than \$1.00) \$ _____
- 8. If Line 4 is less than the sum of lines 5 & 6, enter Refund Due (Disregard if less than \$1.00) \$ _____
- 9. Amount Paid with this return \$ _____
Keep cancelled check or money order as receipt

MAKE CHECKS PAYABLE TO & FORWARD TO:

BOROUGH OF NORTHERN CAMBRIA
1202 PHILADELPHIA AVENUE
NORTHERN CAMBRIA, PA 15714

I certify the above statement to be true and correct to my best knowledge and belief.

Date

Signature of Taxpayer

SUMMARY OF EARNED INCOME AND PROFITS TAX REGULATIONS

TAXABLE INCOME: The items of compensation listed below are Taxable:

1. Salaries, Wages, Commissions, Bonuses, Tips, Stipends, Fees, Incentive Payments.
2. Drawing Accounts (if amounts received as a drawing account exceed the salaries or commissions 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.)
3. Benefits accruing from the employment, such as: Annual Leave, Vacation, Holiday, Separation, and Sabbatical Leave, and payments from union Health and Welfare Benefit Funds.
4. Income from patents and royalties.
5. Compensation received in the form of property shall be taxed at its fair market value at the time of receipt.
6. Jury Duty.
7. Payments received from weekend meeting for National Guard or Reserve Units.
8. Sick Pay, if employee received a regular salary during period of sickness or disability by virtue of his/her agreement of employment.
9. Taxes assumed by the employer.

NON-TAXABLE INCOME:

1. Social Security Benefits, Unemployment Compensation, Pensions, Public Assistance, Death Benefits.
2. Gifts
3. Interest & Dividends
4. Board and Lodging to employees for convenience of employer.
5. Lottery Winnings
6. Supplementary Unemployment Benefits (Sub Pay)
7. Capital Gains (Capital Losses may not be used as a deduction against other taxable income)
8. Sick or disability benefits (Periodical payments received by an individual under a sickness or disability insurance plan.)
9. Active Military Service and summer encampment.

ADDITIONAL INFORMATION:

1. Not all self-employed income is counted as taxable earned income tax earnings. The rules are as follows:
 - A. Interest and Dividends are not included.
 - B. Rentals from real estate and from personal property leased with the real estate is not included, unless reportable on Schedule C.
 - C. Gain or Loss from the sale of capital assets is not included.
2. Allowable Employee Business Expenses:
 - A. Travel while away from home overnight including:
 1. Air, Rail and bus fares.
 2. Operation and Maintenance of an automobile.
 3. Taxi fares or other transportation, such as trips between airport or station and hotel; from one place of business to another; or from where you eat and sleep to temporary work assignment.
 4. Meals and lodging when away from home on business.
 5. Tips that are incidental to any of the above expenses.
 - B. Transportation: Allowable Transportation costs are the costs of traveling from one place to another if directly attributable to the conduct of employment. They must be incurred while the employee is not in a travel status. Commuting to and from work are not allowable transportation costs.
 - C. Education: Allowable education expenses must meet the express requirements of the employer or laws or regulations for keeping a job or position. Tuition, Books, Supplies, Laboratory fees and similar items and certain related travel and transportation costs may be excluded from income.
 - D. Other Expenses: Other Allowable expenses include but are not limited to:
 1. Union Dues and initiation fees.
 2. Professional dues and subscriptions to professional journals
 3. Small tools and supplies.
 4. Uniforms, not suitable for everyday and protective clothing required by an employer.
 - E. Office Rental or Office in Home: An exclusion for an office-in-the-home may be taken if the following requirements are met:
 1. A suitable work space is not provided by the employer.
 2. The activity of work is such that it requires a work area for its performance or for the storage of goods and wares on the premises other than that of the employer.
 3. A letter submitted on employer's letterhead stating in detail why office is necessary in order to work for the employer. Letter must be signed by an officer or owner of the company.
 - F. Expenses which are not allowable include but are not limited to, commuting to and from work, child care and moving.
3. Construction Workers and Truck Drivers: Allowable Expenses - A. Construction worker may use as a deduction, mileage expenses incurred between job sites on the same day. B. Expenses incurred when individual is away from home "overnight". "Overnight", is a time period substantially longer than an ordinary days' work that requires relief from duty to obtain sleep or rest away from home. Both classes of taxpayers should have receipts of lodging. Truck drivers should have log books to support their claim. C. All other expenses disallowed.
4. Self Employment Loss: May be deducted from taxpayer's salary or wage. Self Employment Profit must be added to taxpayer's salary or wage.
5. Payments to Individual Retirement Programs: Are Not deductible – KEOGH, IRA, 401 (K) Plan, Etc.
6. EVERY PERSON, WHEN REQUESTED TO DO SO, MUST FILE A FINAL RETURN EVEN IF HE/SHE HAD NO EARNINGS, IF ALL TAX WAS WITHHELD, OR IF ALL TAX IS DUE AND PAYABLE ON A FINAL RETURN.
7. JOINT RETURNS MAY NOT BE FILED