

RETURN BY APRIL 15, 2025* TO:
FRANKLIN COUNTY AREA TAX BUREAU
306 NORTH 2nd STREET
CHAMBERSBURG PA 17201-1613
 PHONE (717) 263-5141
 Hours: 8:00 am – 4:00 pm, Monday – Friday*
 * Check website for due date updates and other information: www.fcatb.org

TO CONSTITUTE PROOF OF FILING, TAXPAYER MUST HAVE A VALIDATED RECEIPT FROM THE TAX OFFICE. TO OBTAIN A RECEIPT BY MAIL, INCLUDE A SELF-ADDRESSED, STAMPED ENVELOPE WHEN FILING.

LOCAL EARNED INCOME AND NET PROFITS TAX RETURN (FORM 531)
2024

DO NOT WRITE IN ABOVE AREA – TAX OFFICE USE ONLY

CHECK PREPRINTED INFORMATION FOR ACCURACY MAKING CORRECTIONS WHERE NECESSARY. SPOUSE'S NAME, SIGNATURE, AND OTHER INFORMATION SHOULD BE PROVIDED ONLY IF THEY ARE ALSO FILING ON THIS FORM.

ONLY SPOUSES MAY FILE ON THE SAME FORM, BUT TAX CALCULATIONS MUST BE REPORTED IN SEPARATE COLUMNS. JOINT FILING IS NOT PERMITTED.

YOUR RESIDENT MUNICIPALITY (TOWNSHIP OR BOROUGH):

Name and Current Address

DO YOU MOVE BETWEEN JAN 1, 2024 AND THE PRESENT?
 YES NO
 IF YES, COMPLETE SECTIONS A & C ON BACK OF FORM.

TAXPAYER "A" NAME	TAXPAYER "B" NAME
TAXPAYER "A" SS#	TAXPAYER "B" SS#

1	W-2 EARNINGS – COMPENSATION (From attached W-2's)	1
2	EMPLOYEE BUSINESS EXPENSES – EBE's (Attach PA UE and Federal 2106 if used)	2
3	TAXABLE W-2 EARNINGS – COMPENSATION LESS EBE's (Subtract Line 2 from Line 1)	3
4	OTHER TAXABLE EARNED INCOME – FROM SECTION B ON BACK (NO INTEREST OR DIVIDENDS)	4
5	TOTAL TAXABLE EARNED INCOME – COMPENSATION (Add Lines 3 and 4)	5
6	NET PROFIT(S) FROM BUSINESS, PROFESSION, OR FARM (ATTACH PA SCHEDULES C, F, RK-1)	6
7	NET LOSS(ES) FROM BUSINESS, PROFESSION, OR FARM (ATTACH PA SCHEDULES C, F, RK-1)	7
8	TAXABLE PROFITS – (Subtract Line 7 from Line 6 – IF LESS THAN ZERO, ENTER ZERO)	8
9	SUBCHAPTER S AND OTHER NON-TAXABLE PASSIVE INCOME: (ATTACH PA RK-1'S, ETC.) <small>ENTER PASSIVE BUSINESS, PROFESSION, OR FARM INCOME AS REPORTED ON YOUR PA-40 RETURN.</small>	9
10	TOTAL TAXABLE EARNED INCOME AND NET PROFITS (Add Lines 5 and 8)	10
11	*TAX RATE Chambersburg Area S D Residents (1.7%) Enter .017 All Other School District Residents (1%) Enter .01 <small>If you moved from one tax rate area to another during the year, complete a Schedule X to determine rate to enter.</small>	11
12	TAX LIABILITY: (Multiply Line 10 by Line 11)	12
13	TOTAL LOCAL INCOME TAXES WITHHELD EXCEPT PHILADELPHIA INCOME TAX (FROM ATTACHED W-2's)	13
14	QUARTERLY PAYMENTS AND/OR LAST YEAR'S OVERPAYMENT CREDITED TO THIS YEAR	14
15	CREDIT FOR TAXES PAID TO PHILADELPHIA AND/OR STATES OTHER THAN PA (ATTACH LOCAL SCHEDULE G)	15
16	TOTAL WITHHOLDINGS, PAYMENTS, AND CREDITS (Add Lines 13, 14 and 15)	16
17	TAX BALANCE DUE IF LINE 12 IS GREATER THAN LINE 16 (Subtract Line 16 from Line 12)	17
18	INTEREST & PENALTY IF PAID AFTER DUE DATE (SEE INSTRUCTIONS)	18
19	LATE FILING FEE – ENTER \$10.00 AFTER DUE DATE (\$20.00 AFTER DEC 31 of year due)	19
20	QUARTERLY INTEREST & PENALTY (SEE INSTRUCTIONS)	20
21	TOTAL DUE (Add Lines 17, 18, 19 and 20.) Make check payable to "FCATB" <small>IF 1.00 OR LESS, ENTER ZERO</small>	21
	If Line 21 was paid by credit/debit card, enter Official Payments Corp. confirmation number(s) here	#
22	OVERPAYMENT IF LINE 16 IS GREATER THAN LINE 12 (Subtract Line 12 from Line 16 – IF \$1.00 OR LESS, ENTER ZERO)	22
23	AMOUNT OF LINE 22 TO BE REFUNDED	23

DIRECT DEPOSIT INFORMATION FOR REFUND	Taxpayer 'A', 'B', OR 'BOTH'	'Savings' or 'Checking' Account	ROUTING NUMBER	ACCOUNT NUMBER

24	AMOUNT OF LINE 22 TO BE CREDITED TO NEXT YEAR'S TAX	24
25	AMOUNT OF LINE 22 TO BE CREDITED TO SPOUSE'S BALANCE DUE AT LINE 21	25

I DECLARE UNDER PENALTIES PROVIDED BY LAW, THAT THIS RETURN IS TRUE, COMPLETE AND CORRECT.

Taxpayer "A" SIGNATURE	DATE	OCCUPATION	DAYTIME PHONE
Taxpayer "B" SIGNATURE	DATE	OCCUPATION	DAYTIME PHONE
PAID PREPARER'S NAME (PLEASE PRINT)	PAID PREPARER'S EIN	PAID PREPARER'S PHONE	ORIGINAL / TAX OFFICE COPY

FRANKLIN COUNTY AREA TAX BUREAU MEMBER MUNICIPALITIES

The jurisdictions listed below are served by the Franklin County Area Tax Bureau. If you resided or had a business in any of the jurisdictions listed and had taxable earned income, at any time during the tax year, you must file a return with our office and calculate your tax based on the rate(s) indicated. If you did not reside in any of these areas for any part of the tax year, you should not file with our office; however, if you received a form from us, return it noting where you resided during the tax year. **BECAUSE OF THEIR DIFFERENT TAX RATES, IF YOU MOVED BETWEEN CHAMBERSBURG AREA SCHOOL DISTRICT AND THE OTHER SCHOOL DISTRICTS LISTED BELOW, YOU WILL NEED TO COMPLETE A "SCHEDULE X" TO DETERMINE YOUR CORRECT TAX LIABILITY FOR THE YEAR. SCHEDULE X FORMS ARE AVAILABLE FROM THE TAX OFFICE OR FROM OUR WEBSITE, <https://www.fcath.org>.**

<p align="center"><u>Chambersburg Area School District</u></p> <p align="center">TAX RATE – 1.7% (.017)</p> <ul style="list-style-type: none"> Chambersburg Borough Greene Township Guilford Township – CASD portion Hamilton Township Letterkenny Township Lurgan Township 	<p align="center"><u>Fannett Metal School District</u></p> <p align="center">TAX RATE – 1.0% (.01)</p> <ul style="list-style-type: none"> Fannett Township Metal Township Toboyne Twp – FMSD portion (2nd Voting District Only) 	<p align="center"><u>Greencastle-Antrim School District</u></p> <p align="center">TAX RATE – 1.0% (.01)</p> <ul style="list-style-type: none"> Antrim Township Greencastle Borough
<p align="center">NOTICE TO DISABLED PERSONS</p> <p>Auxiliary aids and/or other special assistance will be provided if you contact the tax office in advance to make an appointment for your visit.</p>	<p align="center"><u>Tuscarora School District *</u></p> <p align="center">TAX RATE – 1.0% (.01)</p> <ul style="list-style-type: none"> Mercersburg Borough Montgomery Township Peters Township Saint Thomas Township Warren Township 	<p align="center"><u>Waynesboro Area School District</u></p> <p align="center">TAX RATE – 1.0% (.01)</p> <ul style="list-style-type: none"> Guilford Township –WASD portion (5th Voting District Only) Mont Alto Borough Quincy Township Washington Township Waynesboro Borough
<p align="center">DISCLOSURE STATEMENT</p> <p>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 Franklin County Area Tax Bureau at 717-263-5141 during the hours of 8:00 a.m. to 4:00 p.m., Monday through Friday.</p>	<p>* Some jurisdictions within Tuscarora School District do not tax residents under the age of 18. If you had tax withheld, file a tax return to obtain a refund. Include your date of birth when filing the tax return.</p>	

IF BOTH SPOUSES ARE FILING ON THIS RETURN, PLACE AN "A" OR "B" (COLUMN A OR B ON FRONT) BEFORE EACH ENTRY IN SECTIONS A AND B BELOW.

SECTION A: TAXPAYER'S EMPLOYER INFORMATION (Complete *only* if you moved during the tax year.)

A/B	EMPLOYER'S NAME	DATES EMPLOYED DURING THE TAX YEAR		EMPLOYER'S LOCAL ADDRESS	GROSS EARNINGS	LOCAL INCOME TAX WITHHELD
		FROM	TO			
					\$	\$

SECTION B: OTHER TAXABLE INCOME (Enter total(s) in appropriate column of Line 4 on front.)

A/B	PAYMENT FOR (WORK OR SERVICES PERFORMED)	RECEIVED FROM (PAYOR)	AMOUNT
			\$

SECTION C: MOVING INFORMATION (If you moved during the tax year, also complete Section A above.)

DATES LIVED AT EACH ADDRESS	MAILING ADDRESS	CITY/BOROUGH/TOWNSHIP & COUNTY
01 / 01 / 2024 TO / /		
/ / TO / /		
/ / TO / /		
/ / TO / /		
CURRENT ADDRESS: (IF DIFFERENT THAN LAST LINE ABOVE)		

FRANKLIN COUNTY AREA TAX BUREAU (FCATB)
306 NORTH 2nd St, CHAMBERSBURG PA 17201-1613*, (717) 263-5141, www.fcatb.org

Dear Taxpayer(s):

This letter includes the instructions for filing your annual *Form 531 Local Earned Income and Net Profits Tax Return*. This letter, including instructions, and applicable tax forms are also available at the website. Please consult pages 2 – 4 of this document for general and line-by-line instructions for completing the return and also realize or adhere to the following:

- **Your tax return must be completed prior to submitting it to the FCATB.** Attach a copy of all W-2 forms and/or schedules and explanations to the return before submission. Incomplete returns requiring follow-up may be assessed an *Incomplete Return* fee.
- **State law requires that all figures on your tax return be rounded.** See *ROUNDING OFF TO WHOLE DOLLARS* in these instructions.
- ***Form 531 Local Earned Income and Net Profits Tax Return* has two reporting columns so that spouses may file on one return and still keep their incomes separate as required under Pennsylvania’s local tax law.** Married couples receiving separate returns are encouraged to switch to reporting both spouses on a single return by using the second column to report the spouse’s information and income. *Do not report anyone other than your spouse in the second column.* If other members of your household had taxable income and did not receive a form, forms are available on our website.
- **Earned income and net profits that you report for Pennsylvania State tax purposes should be reported for local tax purposes with few exceptions which are covered in the instructions.** Other “unearned” classes of income taxed by the state, such as interest and dividends, are not taxed locally. Report all earned income and net profits regardless of where you worked. Attach a detailed explanation of any difference between what you reported to the state as Compensation and Net Income or Loss from Operations of a Business, Profession or Farm and what you are reporting on the local return. *After the PA Department of Revenue processes the returns it receives, we compare what you reported to the state as Compensation and Net Income to what you reported on the local return and follow-up with the taxpayer on any unexplained discrepancies;* this State Match process usually occurs approximately two years after the filing deadline for the respective tax year.
- **If you moved during the tax year and have to file a local tax return with more than one tax bureau, the law requires that you prorate your income in full month increments.** See *IF YOU MOVED* under the *GENERAL INSTRUCTIONS* section of these instructions.
- **All taxpayers who received taxable income not subject to withholding and owed \$100.00 or more in non-withheld tax were required to make quarterly estimated tax payments.** This often applies if you worked out-of-state or you were self-employed. If you were required to do so and failed to make the required payments, you will owe interest and penalty. See the instructions for Line 20 of your return.
- **If submitting your return to the FCATB by mail, please use the appropriate mailing label[^] or indicate one of the following on the envelope: *Refund, Payment, or No Payment/No Refund.*** This helps us process returns more efficiently. Spouses filing on the same return should indicate *Refund* if either spouse has a refund or *Payment* if one spouse has a payment while the other spouse has no payment/no refund. Securely seal your envelope and affix correct postage. [^]*If you received a tax return packet in the mail, a set of return mailing labels was enclosed.*
- **Current hours of operation are posted at our website, www.fcatb.org, and/or on the office door.** Please utilize the counter for any cash transactions, any transactions requiring a receipt or lengthy transactions. When the office is closed, there is a drop-box available by the office door; please place anything that you will be depositing in the drop-box in a securely sealed envelope before depositing the envelope in the drop-box.
- **If you work anywhere in Pennsylvania, your employer must withhold your local tax at the correct tax rate.** For taxpayers living within our collection area, that rate would be either 1.7% if you reside in the Chambersburg Area School District or 1% if you reside elsewhere in our collection area. If your employer is not withholding the correct amount, contact your payroll department immediately to correct the withholding amount.

If you still have questions after carefully reading these instructions, please contact us for assistance.

Respectfully –

The Franklin County Area Tax Bureau Team

DISCLOSURE STATEMENT

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 Franklin County Area Tax Bureau at 717-263-5141 during the hours of 8:00 am and 4:00 pm, Monday thru Friday.

NOTICE TO DISABLED PERSONS

Auxiliary aids and/or other special assistance will be provided if you contact the FCATB in advance to make an appointment for your visit.

GENERAL INSTRUCTIONS FOR FILING FORM 531 LOCAL EARNED INCOME AND NET PROFITS TAX RETURN

FILING DEADLINE – Generally, April 15th of the succeeding year for which this return is filed for calendar year returns. **Please check the website www.fcata.org for due date updates.** For fiscal year returns, the 15th day of the 4th month following the close of the taxable year. If the normal filing due date falls on a Saturday, Sunday, or legal holiday, the due date for filing will be extended to the next business day.

LATE FILING FEE – (Line 19) A \$10.00 late filing fee is charged to each taxpayer who files a return, or whose return is incomplete, after the filing deadline. This fee is assessed even if all tax has been withheld by your employer, and is in addition to any other interest and penalty charges and costs that have accrued. This fee will be waived if you have filed for an extension as outlined below. The fee increases to \$20.00 if the return is filed, or is still incomplete, after December 31 of the year that the return was due.

EXTENSION OF TIME TO FILE – A federal and/or state granted extension to file *does not* automatically give you an extension to file your local tax return. To receive a 6-month extension of time to file, you must submit to our bureau a copy of Federal Form 4868 by the original due date of the return. *To avoid interest and penalty charges, you still must pay all tax due by the original due date of the return.* By filing an extension, you will not be assessed a late filing fee if the return is filed within the extension period and no tax, interest, or penalties are due on the extended return.

WHO MUST FILE – A person must file if that person resided in a **MEMBER MUNICIPALITY** whether residing in the **MEMBER MUNICIPALITY** for all or part of the tax year and has earnings and/or net profits and/or net losses even if no tax is due and regardless of where the person works. See the back of *Form 531* for a list of the **MEMBER MUNICIPALITIES**. Failure to file a return may subject you to a \$500 fine. Tuscarora School District residents are not subject to the tax until they turn 18 and must file a return providing birth date to obtain a refund of tax withheld prior to turning 18.

IF YOU HAD NO EARNINGS, NET PROFITS, OR LOSSES TO REPORT – Enter zero (0) on Line 10 and list reason (e.g. retired, disability, housewife, did not work THIS year, etc.). Sign the form and return it to us. This will eliminate needless correspondence.

WHERE TO FILE – If mailing, file your return at the bureau and address listed at the upper left corner on the front of your return. *To drop off your return at the FCATB office, consult the website www.fcata.org for more information regarding the relocation of the FCATB office.*

ROUNDING OFF TO WHOLE DOLLARS – Round off cents to the nearest whole dollar on your return. If rounding, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, \$1.39 becomes \$1.00 and \$2.50 becomes \$3.00. If you have to add two or more amounts to figure the amount to enter on a line, include cents when adding the amounts and only round off the total. Example: You receive two W-2 forms, one showing wages of \$5,000.55 and one showing wages of \$18,500.73. On form 531 Line 1, you would enter \$23,501. ($\$5,000.55 + \$18,500.73 = \$23,501.28$) instead of \$23,502. ($\$5,001 + 18,501$).

EFFECTIVE DATES FOR THIS TAX – This return covers the taxable period from January 1 through December 31 of the year listed on the return, or any fiscal tax year so designated by the taxpayer.

TAXABLE INCOME ITEMS – Wages, salaries, commissions, bonuses, work related rewards and prizes, tips, fees, net profits, severance pay, premature retirement or other deferred payment plan distributions for reasons other than death or disability not rolled over into another federally qualified retirement plan to the extent they were taxable for PA State Income Tax purposes (see more detailed explanation of this item below), employee contributions to 401(k), 403(b), 457 and other types of deferred payment programs, taxes assumed by the employer, incentive payments, fellowships (when compensation for services), inactive military service (e.g. reserves) pay and bonuses. Internal Revenue Code Section 125 (Cafeteria Plan) benefits taxable for PA State Income Tax are also taxable for PA Local Income Tax purposes.

TAXABLE RETIREMENT/SAVING PLAN DISTRIBUTIONS – This bureau follows the PA Department of Revenue's Personal Income Tax Regulations regarding the taxability of distributions from employee deferred payment programs such as pensions (retirement plans), profit sharing, ESOP's, SEP, 401(k), 403(b) and 457 plans. Under Act 166, the taxable amount of a distribution of this type will now be the same for the local tax as it is for the state tax. A distribution of such a plan can be made up of three ingredients: 1) the employee's previously taxed contributions, 2) the employer's untaxed contributions, and 3) income generated by the plan's assets. Items 2 and 3 are taxable for state and local tax purposes. The taxpayer must provide a statement from the plan administrator or trustee of the account showing what portion, if any, of the distribution is attributable to the employer's contribution and income (gains) on the plan's assets. This is the portion that is taxable for earned income tax purposes and must be listed on Line 4 of your return. Without a statement breaking down the distribution, the entire amount of the distribution will be taxed.

NON-TAXABLE ITEMS – Interest, dividends, social security benefits, pensions, annuities, and retirement pay received after retirement from employment and upon reaching a specific age or years of service or upon death or disability. IRA benefits, disability benefits, third party sick pay, capital gains, death benefits, life insurance proceeds, gifts or bequests, public assistance, unemployment compensation, income from trusts, active military service pay or bonuses, minister's housing allowance, personal use of company property, rental income by individuals not licensed (or conducting a business) as realtors by the Commonwealth of Pennsylvania, Subchapter S pass-thru income (unless taxpayer is not receiving fair compensation for services rendered to the corporation), passive limited partnership income. Internal Revenue Code (IRC) Section 125 benefits not taxed for PA State Income Tax are also excluded from PA Local Income Tax. For taxpayers engaged in farming, local net profits do not include interest earned on the monetary accounts of the farming business and gains from the sale of farm machinery, most livestock, and the capital assets of the farm.

ORDER OF ATTACHING W-2'S AND FORMS/SCHEDULES TO RETURN – Place all W-2's and forms/schedules behind the return facing front. Edge all attachments to the upper, left-hand corner of the form and place a single staple there. The order of the attachments from first to last behind the return should be as follows: **1)** Your W-2(s); **2)** Spouse's W-2(s) (if filing on this form); **3)** Your PA UE, 2106 (if used to document PA UE), PA State Schedule(s) C, F, RK-1; **4)** Your spouse's PA UE, 2106 (if used to document PA UE), PA State Schedule(s)

C, F, RK-1 (if filing on this form); 5) Schedule X (if applicable) and any other worksheets or documentation that explains how you calculated the figures on the tax return. Checks should be attached to the front of the return with a single staple.

SIGN AND DATE THE TAX BUREAU'S COPY OF YOUR RETURN – Sign and date the return at the bottom of the return. Indicate your occupation and telephone number. If both spouses are filing on a single form, both spouses must sign the return and provide the requested information. Any filing received without the proper signature(s) will be considered not filed.

IF YOU MOVED – If you moved from the beginning of the tax year to present, please supply the information requested on the reverse side of the TAX BUREAU'S COPY of your return (Sections A and C). If you have lived in different municipalities, falling under different tax bureau jurisdictions during the year, you MUST prorate your earnings and withholdings accordingly and file with the appropriate tax bureaus. **ATTACH A COPY OF THE OTHER TAX BUREAU RETURN** when you file this return. State law requires that, if you move and have to prorate your earnings, you do so in full month increments. If you moved during a month, report the entire month's earnings to the jurisdiction that you lived the most days during that month. Count the day you moved as being in the jurisdiction you moved to. If you lived an equal number of days during the month in the jurisdiction you moved from and the jurisdiction you moved to, report the entire months earnings to the jurisdiction you moved to.

IF YOU RECEIVED MORE THAN ONE TAX RETURN – Please complete only one of the returns *but return both tax returns to us*. On the completed form, please indicate your full social security number and correct address.

IF YOU ARE SELF-EMPLOYED OR YOUR EMPLOYER DOES NOT WITHHOLD YOUR FULL TAX LIABILITY, YOU ARE REQUIRED TO PAY YOUR NON-WITHHELD TAX ON A QUARTERLY BASIS USING FORM 521 Quarterly Estimated Tax Return Individual Net Profits And Earned Income Tax. Form 521 and instructions are available at our website, www.fcatb.org, under *Individual Tax Forms*. Failure to comply will result in an interest and penalty assessment.

LOCAL FILING COMPARED TO PA PERSONAL INCOME TAX RETURN – This bureau participates in a program with the Pennsylvania Department of Revenue to match earned income (compensation) and net profit/loss as reported on the local return against the same items reported on the state return. If, by audit, tax items are changed by either the IRS or State Department of Revenue that have a bearing on your local tax return, you must file an amended local return to reflect such changes. If you have Subchapter S corporation income, file a copy of any Subchapter S RK-1 that was reportable as a profit or loss for state tax purposes. Whereas Subchapter S income/loss does not typically apply to local tax, this information will prevent us from sending you a “discrepancy” letter when your local and state income does not match due to this tax item.

LINE-BY-LINE INSTRUCTIONS FOR COMPLETING FORM 531 LOCAL EARNED INCOME AND NET PROFITS TAX RETURN

LINE 1 – Enter total of W-2 wages earned while a resident of one or more “MEMBER MUNICIPALITIES” (see the reverse side of the return). One copy of all W-2's must be submitted with your return. W-2 income should be prorated to where taxpayer lived when the income was earned. If you lived in different taxing jurisdictions during the tax year, complete Sections “A” and “C” on the reverse of the TAX BUREAU'S COPY of the return. This will help prorate your income.

If the employer completed your W-2 form correctly, you should use the “Local Wages” shown in Box 18 of the W-2 form. If your local wage box does not include your 401(k), 403(b) contributions, bonuses or other incentive payments, reimbursed moving expenses, or unaccounted for or excess business expense reimbursements, they should be added to arrive at your correct local wages. If the wages shown in the federal and/or Medicare wage boxes are higher and cannot be accounted for and reconciled by Box 12 and/or 14 as non-taxable items for state and/or local tax, the higher figure should be used. (Some items that may account for legitimate differences are the cost of group term life insurance for coverage in excess of \$50,000, 3rd Party Sick Pay, or prorated local and/or state wages if you moved during the tax year.) If you cannot account for differences in the various wage boxes on your W-2, you should ask your employer to explain the differences and provide you with a statement to attach with your return.

LINE 2 – (Note: Report any excess reimbursement of allowable employee business expenses on Line 4.) We will accept the Pennsylvania Individual Income Tax regulations for allowable employee business expenses. You cannot deduct personal expenses or expenses that you incur for your own convenience. If your employer requires you, as a condition of your employment, to incur business expenses out of your own pocket, they are likely deductible.

Expenses claimed must be explained in detail giving as a minimum the information requested on the appropriate PA UE Schedule and the IRS Form 2106 when used to back up figures on the PA UE. Copies of these supporting schedules are sufficient. A separate schedule must be used for each spouse and for each job. Expenses from one job may not be used to reduce compensation from another job. **EXPENSES TAKEN WITHOUT PROPER SUPPORTING DOCUMENTATION WILL BE SYSTEMATICALLY DENIED WITHOUT NOTIFICATION TO THE TAXPAYER.** Records must be available for verification. Estimates will not be accepted.

Examples of expenses that can be deducted are union dues, professional fees and licenses required as a condition of employment, cost and upkeep of work clothing provided they are not suitable for everyday use and they are required as a condition of employment, cost of small tools required but not provided by employer, non-commuting business transportation, away from home overnight expense, and office-in-home, moving, and education expenses when required as a condition of employment. Educator expense shall be limited to \$250 unless accompanied by a letter from your employer requiring the expense as a condition of employment.

Examples of expenses that cannot be deducted include “on call” telephone, travel to and from work, travel from union hall to work assignments, child care, medical expenses, charitable contributions, personal expenses, taxes, interest, subscriptions to publications, dues to professional or fraternal societies, Chambers of Commerce, or recreational club memberships, and insurance, IRA, annuity and pension plan payments. For additional information, see the PA 40 instructions and regulations.

LINE 3 – Subtract Line 2 from Line 1 to arrive at taxable W-2 earnings.

LINE 4 – Enter the total of other taxable earned income as detailed on back of TAX BUREAU’S COPY of return (Section B). Use this line to report tips not included in W-2 wages, excess reimbursements of employee business expenses, fees (e.g., director’s, executor’s and trustee’s fees), work related rewards and prizes, taxable premature distributions from retirement plans, and any other earned income not reported elsewhere on the return.

LINE 5 – Enter the total of Lines 3 and 4. This is your total taxable earned income.

LINE 6 – Enter the total of any net profits you incurred from your business, and/or profession, and/or farm activities, including limited liability companies and limited liability partnerships.

LINE 7 – Enter the total of any net losses you incurred from your business, and/or profession, and/or farm activities, including limited liability companies and limited liability partnerships.

LINE 8 – Subtract Line 7 from Line 6 to arrive at taxable profits.

LINE 9 – Report any Subchapter S or other “passive” profits or losses reported on your state tax return that are not taxable on your local return. Attach documentation to explain the nature of the profits and/or losses. This is needed when we compare local and state income reporting and for auditing purposes. If you did not receive a W-2 form representing fair compensation for the services you provided to a Subchapter S corporation, 100% of the pass-thru profits shall be subject to tax.

LINE 10 – Enter the total of Lines 5 and 8. This is your total taxable earned income and net profits.

LINE 11 – If you are only reporting income that you earned while residing in the Chambersburg Area School District, enter 1.7% (.017). If you are only reporting income that you earned while residing in Fannett Metal School District and/or Greencastle-Antrim School District and/or Tuscarora School District and/or Waynesboro Area School District, enter 1% (.01) on Line 11. If you moved between Chambersburg Area School District and one of the other school districts in our collection area during the tax year, complete a SCHEDULE X to determine the tax rate to enter on Line 11. Attach the Schedule X to your return.

LINE 12 – Multiply Line 10 by Line 11 to determine your tax liability.

LINE 13 – Enter the total (or prorated portion if partial year resident) of all Pennsylvania local tax withheld found in Box 19 of your W-2’s. Use Line 15 to report credit for tax paid to the City of Philadelphia or other state’s political subdivisions.

LINE 14 – Enter the total of all quarterly tax payments you made directly to this bureau for the filing tax year only. Also add in any overpayment from the previous tax year credited to this tax year.

LINE 15 – If you were legally liable for and paid taxes on net profits and/or compensation to Philadelphia or any state other than Pennsylvania, and the same net profits and/or compensation is also taxable on your local Franklin County Area Tax Bureau resident return, you may be entitled to take a credit (against your local tax liability) for all or a portion of the taxes paid elsewhere. Please contact our bureau and request a Local Schedule G. Local Schedule

G provides specific instructions and a worksheet to determine whether you are entitled to any such credit.

LINE 16 – Enter the total of Lines 13, 14 and 15. This is the total of your withholdings, credits and direct payments to be applied against your tax liability.

LINE 17 – If Line 12 is larger than Line 16, subtract Line 16 from Line 12 and enter the result. In all other cases enter zero (0). If Line 17 is \$1.00 or less, you need not make any payment. However, you still must file a return.

LINE 18 – If for any reason the tax is not paid when due, interest at a rate established annually by the Commonwealth of Pennsylvania under Section 806 of the Fiscal Code, and an additional penalty of 1% for each month or fraction thereof during which the tax remains unpaid shall be added and collected. If you are unsure of the amount of interest and penalty, if any, that applies to you, contact our bureau.

LINE 19 – If you are filing your return after the due date and you did not file a local extension and pay all tax due by the due date, enter \$10.00. If both spouses file on this form, each would owe the late fee. This fee is also assessed if your return is incomplete after the due date. The late fee increases to \$20.00 if you do not file before the end of the year the tax return is due.

LINE 20 – If you are reporting a Tax Balance Due on Line 17, you will owe quarterly interest and penalty. If your non-withheld tax liability was greater than \$100.00, you were required to make quarterly estimated payments using Form 521. To determine if you owe quarterly interest and penalty, and how much, a calculator is available on our website or you may contact the tax bureau for assistance in calculating any quarterly interest and penalty you may owe.

LINE 21 – Enter the total of Lines 17, 18, 19 and 20. This is your total balance due. This balance due must be paid in full when filing your return. Make checks payable to “FCATB” (Franklin County Area Tax Bureau). Place the last 4 digits of your social security number(s) on your check along with the notation “Form 531 - Tax Year 20xx”. You may pay by credit or debit card by going online to www.officialpayments.com, or by calling 1-800-272-9829. Credit or debit card payments by phone require a 4-digit jurisdiction code. Our jurisdiction code is 4844. You will be charged a service fee to pay by credit or debit card; this fee goes to the card processor. If you choose to pay by credit or debit card, enter the confirmation number(s) in the space provided below Line 21 on the tax form before you file the return with the tax bureau.

LINE 22 – If Line 16 is larger than Line 12, subtract Line 12 from Line 16 and enter the result if it is greater than \$1.00. This is your overpayment amount.

LINE 23 – Enter the portion of your Line 22 overpayment that you wish to be refunded. Complete *Direct Deposit Information* to have the refund deposited directly to your savings or checking account.

LINE 24 – Enter the portion of your Line 22 overpayment that you wish to be credited to your next year’s return.

LINE 25 – Enter the portion of your Line 22 overpayment that you wish to be credited to your spouse’s balance due for this filing year.