

YORK ADAMS TAX BUREAU

1405 N. Duke St., PO Box 15627
 York, PA 17405-0156
 Phone (717) 845-1584; Fax (717) 854-6376

2008 INSTRUCTIONS

FOR FILING FORM 214

Hours: Mon. - Fri. 8:00 AM - 4:00 PM

website: www.yatb.com email: info@yatb.com

YORK ADAMS TAX BUREAU

900 Biglerville Rd., PO Box 4374
 Gettysburg, PA 17325
 Phone (717) 334-4000; Fax (717) 337-2565

NEW FOR TAX YEAR 2008

NEW REPLY ENVELOPES: This year taxpayers will need to apply the correct label to the front of the reply envelope when mailing in their tax return. From the flap of the envelope, select the appropriate label indicating PAYMENT ENCLOSED, REFUND DUE or NO PAYMENT/NO REFUND DUE. This will help to speed the processing of your return.

RESIDENTS OF CAROLL VALLEY BOROUGH, CUMBERLAND TOWNSHIP, GETTYSBURG BOROUGH, STRABAN TOWNSHIP AND TYRONE TOWNSHIP WILL NEED TO REFER TO THE ENCLOSED SCHEDULE Z WORKSHEET FOR INSTRUCTIONS ON HOW TO CALCULATE YOUR TAX LIABILITY. If you lived in any of these municipalities during any part of 2008 and did not receive a Schedule Z worksheet, it can be downloaded from our website. If you have any questions, please contact the YATB Gettysburg office at 717-334-4000 or visit the office at 900 Biglerville Road. **REMINDER:** The School District portion of any taxable income earned while a resident of any of these listed municipalities **MUST BE FILED** with the York Adams Tax Bureau.

The York Adams Tax Bureau collects the earned income/compensation tax and the net profits tax for the following school districts and municipalities. If you were a resident of any of the listed taxing authorities for all or any portion of the tax year, you are required to file a tax return with the Bureau, whether or not you had any income.

TAX TABLE: TOTAL TAX RATE IS AS INDICATED BELOW

NOTE: The * symbol indications portions of these municipalities are in different school districts.

ADAMS COUNTY	YORK COUNTY	YORK COUNTY (cont.)
Bermudian Springs School District 1%	Central York School District 1%	South Eastern School District 1%
0C5 East Berlin Borough	036 Manchester Township	055 Cross Roads Borough
0C6 Hamilton Township *	080 North York Borough	057 Delta Borough
0C2 Huntington Township	019 Springettsbury Township *	025 East Hopewell Township
0C4 Latimore Township		061 Fawn Grove Borough
0C1 Reading Township	Dallastown Area School District 1%	028 Fawn Township
0C3 York Springs Borough	056 Dallastown Borough	032 Hopewell Township
	072 Jacobus Borough	043 Peach Bottom Township
Conewago Valley School District 1.5%	075 Loganville Borough	086 Stewartstown Borough
100 Abbottstown Borough	047 Springfield Township	
103 Berwick Township	092 Yoe Borough	Southern York Co. School District 1.3%
105 Bonneauville Borough *	054 York Township	022 Codorus Township
109 Conewago Township		064 Glen Rock Borough
116 Hamilton Township *	Dover Area School District 1.4%	078 New Freedom Borough
121 McSherrystown Borough	059 Dover Borough	081 Railroad Borough
125 Mt. Pleasant Township *	024 Dover Township	084 Shrewsbury Borough
127 New Oxford Borough	050 Washington Township	045 Shrewsbury Township
128 Oxford Township		
129 Straban Township * (school tax rate 1.0%)	Eastern York School District 1%	Spring Grove Area School District 1%
131 Tyrone Township * (school tax rate 1.0%)	060 East Prospect Borough	030 Heidelberg Township
	066 Hallam Borough	033 Jackson Township
Fairfield Area School District 1.5%	031 Hellam Township	073 Jefferson Borough
108 Carroll Valley Borough (YATB tax rate 1.25%)	035 Lower Windsor Township	079 New Salem Borough
111 Fairfield Borough	091 Wrightsville Borough	040 North Codorus Township
117 Hamiltonban Township	093 Yorkana Borough	042 Paradise Township
119 Liberty Township		083 Seven Valleys Borough
	Northeastern School District 1%	085 Spring Grove Borough
Gettysburg Area School District 1.7%	023 Conewago Township	
110 Cumberland Township (YATB tax rate 1.45%)	026 East Manchester Township	West York Area School District 1%
112 Franklin Township	076 Manchester Borough	051 West Manchester Township
113 Freedom Township	077 Mount Wolf Borough	088 West York Borough
115 Gettysburg Borough (YATB tax rate 1.45%)	094 York Haven Borough	
118 Highland Township	NOTE: We do not collect any portion of the tax for residents of Newberry Township.	West Shore School District 1.45%
124 Mt. Joy Township *		074 Lewisberry Borough
130 Straban Township *(school tax rate 1.2%)	Red Lion Area School District 1%	NOTE: We collect West Shore School Dist. tax for residents of Lewisberry Borough only.
	021 Chanceford Township	
Littlestown Area School District 1%	062 Felton Borough	York Suburban School District 1%
106 Bonneauville Borough *	034 Lower Chanceford Township	048 Spring Garden Township
114 Germany Township	041 North Hopewell Township	046 Springettsbury Township *
120 Littlestown Borough	082 Red Lion Borough	
123 Mt. Joy Township *	089 Windsor Borough	
126 Mt. Pleasant Township *	053 Windsor Township	
133 Union Township	090 Winterstown Borough	
Upper Adams School District 1.6%	School District of the City of York 1%	
101 Arendtsville Borough	001 City of York	
102 Bendersville Borough		
104 Biglerville Borough		
107 Butler Township		
122 Menallen Township		
132 Tyrone Township * (school tax rate 1.1%)		

GENERAL INSTRUCTIONS FOR FILING 2008 EARNED INCOME/NET PROFITS TAX RETURN FORM

Review these general instructions and follow the line-by-line instructions on the tax return. If you have any questions concerning the filing of your return, please contact the Bureau.

- These instructions are not intended to be all inclusive. Reference the complete Rules and Regulations on our website: www.yatb.com.

- 1. WHO MUST FILE:** Each resident who is 16 years of age or older. Gross earnings are taxable for the entire calendar year in which an individual turns 16 years of age. If you are retired or permanently disabled or on active duty military, indicate this on the tax form in the box labeled OCCUPATION, (include date of retirement, disability, etc.) and your name will be removed from our taxpayer file if you have no taxable income. **REMEMBER: IF YOU RECEIVED A TAX RETURN – IT MUST BE FILED WITH THIS BUREAU.**
- 2. A RETURN MUST BE FILED EVEN IF:** (a) You were a college student during 2008; (b) Your legal domicile is within the Bureau's taxing jurisdiction, regardless of where you reside or were employed; (c) All the tax was withheld by your employer; (d) You received a tax return form and had no taxable income. If you had no taxable income, indicate **NONE** on line 7 of the tax return.
- 3. PARTIAL YEAR RESIDENT:** If you were a resident or if your legal domicile was within our taxing jurisdiction for only a portion of 2008 you are required to file a tax return with this Bureau, listing the applicable portion of your earnings and net profits for the period you were a resident in our jurisdiction, **AND** also file a return with the tax collector for the municipality and school district in which you lived the balance of the year, the applicable portion of your earnings and net profits applicable for that portion of the year. Please use full months.
- 4. ADDRESS CHANGES:** If your address has changed, complete SECTION 1 of FORM 214 to inform us of the number of months at each address during the tax year, as this information is used to properly distribute your tax to each applicable taxing authority. Use full months only.
- 5. ACCURACY, COMPLETENESS AND SIGNATURE:** Accuracy and completeness are essential to avoid further communication and correspondence. Complete your return in its entirety. **YOU MUST SIGN YOUR RETURN FOR IT TO BE CONSIDERED A COMPLETED FILING.**
- 6. PROOF OF EARNINGS:** All W-2's, 1099's and income and expense schedules must accompany each tax return. List each employer, the amount of earned income tax withheld and earned income in SECTION 3, on the back of the tax return.
- 7. SUPPORTING SCHEDULES:** Use PA Schedules UE, C, F, G, I, J, RK-1, NRK-1 to complete Form 214 calculations. Federal schedules are no longer acceptable unless necessary to document the PA Schedule figures.
- 8. FAILURE TO RECEIVE A TAX RETURN** from the Bureau is not a basis for not filing. Additional tax return forms may be downloaded from our website www.yatb.com or by contacting the Bureau. **FAILURE TO PROPERLY FILE A RETURN MAY RESULT IN LEGAL ACTION.**
- 9. MULTIPLE OR DUPLICATE TAX RETURNS:** If you receive more than one tax return, use the return with the correct Social Security Number. Return all tax returns in the same envelope, with the duplicate form marked "Duplicate of SSN ___-___-____". **DO NOT DESTROY A TAX FORM** as we will not know an error has been made.
- 10. DUE DATE:** Tax returns must be filed and any tax due paid by April 15, 2009. If your Federal or PA State tax return has been audited and adjustments made which affect the earned income tax, an amended tax return must be filed with this Bureau within 30 days.
- 11. REFUNDS:** Overpayments of \$1.00 or more will be refunded by the Bureau. Refunds totaling \$10.00 or more must be reported by us to the Internal Revenue Service. Checks must be cashed within 6 months or payment will be denied by the bank and a replacement check will need to be requested. This bureau is NOT responsible for any bank charges incurred.
- 12. REMITTANCE:** Make check or money order payable to "YATB." Use the enclosed return envelope to forward your remittance, payment voucher, tax return, W-2's, 1099 and/or Schedules. Your cancelled check or money order is your receipt. Do not send cash. If your tax balance due is less than \$1.00, payment need not be remitted, but the tax return must be filed.
- 13. CREDIT CARD OPTION:** You may elect to pay by VISA, MasterCard, American Express or Discover Card through Official Payments Corp. by going to our website, www.yatb.com, or by phone **1-800-272-9829**. If you choose the phone option, you will be asked for a Jurisdiction Code which is **4835**. For tax type select "Earned Income Tax Form 214." There is a convenience fee charged by Official Payments Corp. for this service.
- 14. PENALTY:** Payable at a rate of ½% (.005) per month or any portion of a month that the earned income tax remains unpaid after the April 15 due date. (Example: \$ tax due x .005 x # of months = penalty)
- 15. INTEREST:** Payable at a rate of 6% (.06) per annum of the unpaid tax after the due date. (Example: .000167 x # of days after 4/15/09)
- 16. OUT OF STATE RESIDENTS:** Must file and pay tax if you were employed within a municipality which is located in this Bureau's tax collection area. See list of municipalities on front of instructions.
- 17. OUT OF STATE EARNINGS:** If you had earnings in any other state and paid state tax on earnings there, you may take as a credit against the earned income tax due here the balance (of the applicable tax due here on only those wages earned in another state) which remains unused after first applying the taxes paid to the other state against your PA state income tax. COPIES OF YOUR OUT OF STATE TAX RETURN, YOUR PA STATE TAX RETURN AND A PA SCH. G ARE REQUIRED. Enter credit amount on line 10 of your local tax return.
- 18. RECIPROCAL AGREEMENTS:** Virginia, Maryland, Ohio, West Virginia, New Jersey and Indiana have entered into reciprocal state income tax agreements with Pennsylvania. This means that a resident of these states pays the state income tax only to the state wherein he/she resides. Therefore you may not use income tax paid to any of these states as credit against the earned income tax.
- 19. SHARED INFORMATION:** This Bureau acquires and utilizes PA Dept. of Revenue individual income tax information to compare with your earned income and net profits reported to this Bureau.

- **YOU MAY DOWNLOAD ALL QUARTERLY AND ANNUAL FORMS AND REFERENCE THE COMPLETE RULES AND REGULATIONS ON OUR WEBSITE: WWW.YATB.COM.**
- **EXTENSIONS:** AN APPLICATION FORM FOR AN EXTENSION TO FILE YOUR EARNED INCOME TAX FORM 214 MAY BE OBTAINED BY TELEPHONE, FAX OR FROM OUR WEBSITE. **NOTE:** ALL TAX DUE MUST BE PAID BY THE APRIL 15 DEADLINE. **THERE IS NO EXTENSION FOR PAYMENT OF TAX DUE.**
- **QUARTERLY DECLARATION FORM ES-77:** IN ADDITION TO THE FORM 214 ANNUAL TAX RETURN, ALL TAXPAYERS WHO ARE EITHER SELF-EMPLOYED OR WHOSE EMPLOYER DOES NOT WITHHOLD SUFFICIENT LOCAL TAX FROM THEIR EARNED INCOME TO COVER THEIR TAX LIABILITY, **AND** WHO ANTICIPATE EARNING AT LEAST \$10,000.00 ANNUALLY FROM WHICH THEY HAVE NO LOCAL TAX WITHHELD ARE **REQUIRED** TO FILE THE QUARTERLY DECLARATION OF ESTIMATED EARNED INCOME TAX FORMS (FORM ES-77) AND PAY ANY TAX DUE ON A QUARTERLY BASIS. OR BE LIABLE FOR A PENALTY.
- **FILING REQUIRED:** THE LOCAL TAXING AUTHORITIES' ORDINANCES AND RESOLUTIONS **REQUIRE** ELIGIBLE TAXPAYERS TO FILE A RETURN OF EARNED INCOME/COMPENSATION AND NET PROFITS AND PAY ANY/ALL TAX DUE. COPIES OF THE ORDINANCES OF THIS BUREAU'S MEMBER MUNICIPALITIES AND SCHOOL DISTRICTS, AUTHORIZING THIS BUREAU TO COLLECT ANY/ALL TAX DUE ON THEIR BEHALF, ARE ON FILE AT THIS BUREAU.
- **TAXABLE INCOME ITEMS:** Salaries, Wages, Bonuses, Commissions, Back Pay, Severance Pay, Tips and Allocated Tips, Gratuities, Fees (includes, but not limited to, Directors Fees, Executor's/Administrator's/Probate Fees), Overtime Pay, Incentive Payments, Early Retirement Incentive Payments, Reserve and National Guard Inactive Duty Pay, Stand-By Pay, Golden Parachute Payments, Clergy Pay, Sick Pay/Disability Pay (Only if continuation of Regular Wages), Retroactive Wage Increases, Salary Advances, Mortgage Assistance (in lieu of other compensation), Moving Expense Reimbursement (If not required by your employer/or any excess of allowable expense), Scholarships/Fellowships (May be taxable or non-taxable), Prizes/Awards (May be taxable or non-taxable), Stipend (May be taxable or non-taxable), Stock Bonus Plans, Taxes assumed by the Employer on behalf of the Employee, Cafeteria Plans (Taxable portion: Any Benefits other than Health Care), Deferred Compensation Plans, Lump Sum Distributions (Pre-retirement – Only that portion not already taxed – if not rolled into another retirement plan), Deceased Taxpayers Wages or Earnings, Dependent Care Assistance, Non-cash payment for services rendered, Non-compete agreements, Non-qualified Deferred Compensation Plans (When distribution is received), Any earned income/net profit received the year in which taxpayer became deceased, Net Profits * (see Net Profits below).
- **NON-TAXABLE ITEMS:** Active Duty Military Pay, Cafeteria Plans (Health Care Portion Only), Clergy Housing, Personal Use of Company Vehicle, Gambling/Lottery Winnings, Group Term Life Insurance, Jury Duty Pay, Investment Income (Including PA S-Corporations), Rental Income (On Schedule E), Retirement Benefits (after retirement), Sick Pay (Third Party), Short Term/Long Term Disability (Third Party), Social Security Benefits, Strike Benefits, Worker's Compensation Benefits, Unemployment Compensation.
- **ALLOWABLE EXPENSES:** Unreimbursed Business Expenses, as determined by the PA Dept. of Revenue regulations and rulings, shall be allowed as deductions against Earned Income. The PA Schedule UE form(s) showing allowed expenses must accompany the Local Income Tax Return. **NOTE: Complete proper supporting documentation is required or the expenses will be denied without further notification.**
- **UNALLOWED DEDUCTIONS:** Include, but are not limited to, Alimony; Babysitting/child care; Books/Magazines; Casualty & theft losses; Charitable Contributions; Clothing suitable for everyday use; Commuting & travel to and from work, between jobs, classes or military reserves; Dues or fees to clubs; Employment fees; Interest; Laundry and Dry Cleaning; Life insurance; Vehicle license fees; Federal form 1040 itemized deductions or tax credits; Tools for home use; Deferred compensation plan contributions by employee; Simplified employee pension plan (SEP); Educational expenses to qualify for employment, a new occupation, trade or business; Federal, state or local income taxes; Gift, estate, inheritance or personal taxes; Medical or dental expenses; Office at home for the convenience of the employee; Personal and family expenses. S-corp. loss or out-of-state credit due to S-corp. taxation cannot be a deduction or offset. One person's loss may not be deducted from the spouse's earnings or profit.
- **NET PROFITS:** Are to be determined with reference ONLY to the gross income and expenses of that business, without mixing the income of one enterprise with the expenses of a separate enterprise. * **NOTE: A LOSS IN ONE CLASS OF BUSINESS ACTIVITY IS NOT ALLOWED TO BE DEDUCTED AGAINST A BUSINESS PROFIT IN ANOTHER CLASS OF BUSINESS ACTIVITY. A LOSS MAY ONLY BE DEDUCTED AGAINST W-2 EARNINGS. (Aronson vs. City of Pittsburgh, 485A 2nd 890; PA CMWLTH Court, 1985).**

IMPORTANT: LOCAL TAX OFFICERS RETAIN THE RIGHT TO VERIFY/AUDIT ALL AMOUNTS REPORTED ON TAX RETURNS.

TAXPAYER NOTICE: YOU ARE ENTITLED TO RECEIVE A WRITTEN EXPLANATION OF YOUR RIGHTS WITH REGARD TO THE ASSESSMENT, AUDIT, DETERMINATION, REVIEW, APPEAL, ENFORCEMENT, REFUND AND COLLECTION OF LOCAL TAXES BY CONTACTING THE YORK ADAMS TAX BUREAU AT EITHER LOCATION.