

PENNSYLVANIA LOCAL ACT 32

Beginning on January 1, 2012, ACT 32 takes effect which makes all Pennsylvania employers responsible for withholding local earned income taxes from employee paychecks. This is the 1% that is paid by all wage earners residing in the Borough of Ambridge. Half of the taxes collected go to the Borough of Ambridge and the other half go to the Ambridge Area School District. We are asking for your assistance to ensure that the local earned income taxes deducted from your paychecks are received by the Borough of Ambridge and the Ambridge Area School district for the benefit of your family and the respective agencies.

To prepare for this change, all employees are required to file a Local Earned Income Tax Residency Form with their employers. It is the employers' responsibility to get this information from you; however, in order to assist you, we are sending you a copy of a form with the six digits political subdivision code **PSD Code 040201** that you place on this form that determines which municipality and school districts receive your income tax payment. It is extremely important that this code be entered correctly.

The employee is responsible for filling out the first section of the form. The employer is responsible for completing the second section. A Residency Certification Form is enclosed with this letter. Additional forms can be found at www.centaxgroup.com or picked up at the Ambridge Borough Building. Please be advised that every wage earner must submit a form.

If you do not complete and submit this Tax Residency Form, there is a strong possibility that your taxes may be directed to another municipality and school district. Should this be the case, you will be responsible for paying the taxes to the Borough of Ambridge and the Ambridge Area School District. In addition, you will be subject to penalties and interest. As a reminder, 4th quarter and **2011** year-end earned income submissions will still need to be distributed ½% to Keystone Collections and ½% to Central Tax Bureau.

If your employer's payroll department is unfamiliar with this form, please suggest they contact Central Tax Bureau at 1-800-423-6829. This will allow us to continue to deliver quality services that you and your family expect in the Borough of Ambridge.



LOCAL EARNED INCOME TAX RESIDENCY CERTIFICATION FORM

TO EMPLOYERS/TAXPAYERS:

This form is to be used by employers and/or taxpayers to report essential information for the collection and distribution of Local Earned Income Taxes. This form must be utilized by employers when a new employee is hired or when a current employee notifies employer of a name and/or address change.

EMPLOYEE INFORMATION - RESIDENCE LOCATION			
NAME (Last, First, Middle Initial)			SOCIAL SECURITY NUMBER
FIRST LINE OF ADDRESS (If PO Box, please include actual street address)			
SECOND LINE OF ADDRESS			
CITY	STATE	ZIP CODE	DAYTIME PHONE NUMBER
MUNICIPALITY (City, Borough, Township)			
COUNTY	PSD CODE	TOTAL RESIDENT EIT RATE	
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		

EMPLOYER INFORMATION - EMPLOYMENT LOCATION			
EMPLOYER NAME (Use Federal ID Name)			EMPLOYER FEIN
FIRST LINE OF ADDRESS (If PO Box, please include actual street address)			
SECOND LINE OF ADDRESS			
CITY	STATE	ZIP CODE	PHONE NUMBER
MUNICIPALITY (City, Borough, Township)			
COUNTY	PSD CODE	MUNICIPAL NON-RESIDENT EIT RATE	
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		

CERTIFICATION	
SIGNATURE OF EMPLOYEE	DATE
PHONE NUMBER	EMAIL ADDRESS

For information on obtaining the appropriate MUNICIPALITY (City, Borough, Township), PSD CODES and EIT (Earned Income Tax) RATES, please refer to the Pennsylvania Department of Community & Economic Development website:

www.newPA.com
 Select Get Local Gov Support, >Municipal Statistics