

(Revised 7-2009)

This tax book has been prepared for accountants, tax preparers, attorneys and individuals to provide a summary of all taxes levied by the City of Pittsburgh and the School District of Pittsburgh. These taxes are collected by the City-School Treasurer who is also responsible for the discovery and collection of delinquent taxes.

There are two categories into which one could place Pittsburgh's taxes. One is the assessed, the other is self-assessed. The table of contents on page 4 shows each tax by category.

For the assessed taxes, the City will compute the tax due based on information provided by Allegheny County.

For self-assessed taxes, the City provides forms to be completed by the taxpayer or tax preparer. Forms will not be mailed unless the taxpayer has been properly registered. Payment in full is required at the time the tax return is filed.

Modern sources of data retrieval and exchange make the detection of tax delinquency and underpayment easier. In order to avoid penalty and interest charges, taxpayers, their tax preparers and consultants must know how and when to properly file City and School District tax returns.

For additional information and assistance, refer to the listed phone number for each tax type or visit our website at www.city.pittsburgh.pa.us/finance. Tax forms, tax rates, Pittsburgh Code and zip code listings are all available on our website.

GENERAL NOTES FOR SELF-ASSESSED TAXES

It is the taxpayer's responsibility to pay taxes when due. Failure to receive a form is never an excuse for a late payment.

City and School District of Pittsburgh taxes that are not paid when due require an additional payment of penalty and interest. Federal tax extensions are not recognized by the City and School District. Extensions are not granted.

For all payments of self-assessed taxes, except direct payment of Earned Income Tax and Local Services Tax by the individual taxpayer, it is required that the business file a registration form (NBR-1) with the Finance Department, Business Registration section 412-255-2528.

Registration Form's can be downloaded at www.city.pittsburgh.pa.us/finance

At the time one begins doing business in Pittsburgh, the business must be registered with the City Treasurer.

Several taxes require the filing of a tax return by the taxpayer even when there is no tax due. This is true for the earned income tax, payroll expense, business privilege tax, and institution and service privilege tax.

Taxes that are not paid when due will accrue penalty and interest. One day's delinquency into a succeeding month is assessed as an entire month.

When the Treasurer receives only a partial payment and penalty and interest are due, the payment is applied to the tax first. A bill will be sent for the balance of tax plus penalty and interest.

The accounting records should distinguish between sales of merchandise and services rendered. Services are subject to the business privilege tax.

In regard to the Business Privilege and Institution & Service Privilege Taxes, the deadline for the initial return is 40 days after beginning business. The amount due is based on the first month's business computed or accounted for on an accrual basis even for a cash basis taxpayer.

In the second year (the first full year of business), the tax is computed by multiplying that same first month's gross receipts by twelve months times the current tax rate.

Subsequent year's taxes are computed by using the previous calendar year's gross receipts to determine the tax for the current year payable, April 15th.

Tax rates are subject to change. Please check our web site at www.city.pittsburgh.pa.us/finance

REAL ESTATE TAX

Pittsburgh Code Reference: Chapter 263
First Levied: 1816

WHO IS TAXED: All owners of real estate located within the City and School District. The market value of the property is determined by the Allegheny County Office of Property Assessment. The taxes are calculated by applying the millage rate to the assessed value.

DISCOUNTS: Taxpayers may take a 2% discount on either of the following if tax is paid by February 10th:

The total annual tax due or,
The first installment of tax due.

TAX PAYMENTS DUE DATES

Last day of February for 1st installment or the annual amount at gross.
April 30th for 2nd installment
July 31st for 3rd installment

If no payment is made by the last day of February or if less than the entire first installment amount is paid by the last day of February, the entire year's taxes become due and payable in full and incur interest charges from March 1st.

Tax bills are mailed in January. Further installment bills are mailed in April and July.

If you have any questions please call 412-255-2525 or visit www.city.pittsburgh.pa.us/finance

HOMESTEAD EXEMPTION - OWNER OCCUPIED PROPERTIES

The City exempts the first \$10,000 of assessed value for every residential property that is owner occupied. The School District began participation in tax year 2009. The amount exempted will vary from year to year. The 2009 exemption was \$20,363. Allegheny County exempts the first \$15,000 of assessed value.

ACT 77 - PROPERTY TAX RELIEF PROGRAM

The City of Pittsburgh offers a senior tax relief program for eligible owner occupants. The School District does not receive funding from the Regional Asset District tax and, therefore, does not participate in the program. Current qualifications are: (a) at least 50 years of age; (b) must have owned and occupied a home in Allegheny County for ten consecutive years preceding application; (c) total household income cannot exceed \$30,000 (using 50% of social security benefits); (d) the owner must be a natural person. All eligible homeowners are required to apply with the City of Pittsburgh each year. Renewal applications are mailed in August for the next year's taxes.

NOTE: Allegheny County has a similar program.

CATASTROPHIC LOSS ADJUSTMENT

In the event a property has been lost due to a fire or natural disaster, the owner may apply for a tax adjustment for the next year's taxes through the Allegheny County Office of Property Assessment.

REAL ESTATE TAX ABATEMENT

PROGRAM	TYPE REDUCTION	PARTICIPATING TAXING BODY AND ABATEMENT/CREDIT LIMIT *	PERIOD ABATED
ACT 42 RESIDENTIAL PGH CODE CHAPTER 265	ASSESSMENT REDUCTION	A \$86,750 YR For new construction A \$36,900 YR For renovations	3 Years
ACT 42 ENHANCED RESIDENTIAL ORD 9 PGH CODE CHAPTER 265	ASSESSMENT REDUCTION	C & S \$250,000 YR For new construction or renovations	10 Years
COMMERCIAL LERTA PGH CODE CHAPTER 267	<i>TAX CREDIT</i>	C \$50,000 YR	5 Years
RESIDENTIAL LERTA ORD 10 ** PGH CODE CHAPTER 267	<i>TAX CREDIT</i>	C \$150,000 YR S \$250,000 YR CN \$100,000 YR	10 Years
RESIDENTIAL ENHANCED LERTA ORD 10 PGH CODE CHAPTER 267	<i>TAX CREDIT</i>	C \$2,700 YR S \$3,480 YR	10 Years
VISITABILITY RESIDENTIAL	<i>TAX CREDIT</i>	*** C & CN \$2,500 max credit for each taxing body over 5 years	5 Years

SENIOR CITIZEN AND DISABLED CITIZEN REBATES The State of Pennsylvania has a program to provide Real Estate tax or rent rebates for senior citizens and disabled people who receive less than \$35,000 per year income from all sources. The maximum rebate is \$650 a year and decreases as total income approaches \$35,000.

The form used for rebate request is called "Property Tax or Rent Rebate" Form PA-1000 and can be obtained in the State Office Building or from the Real Estate Department 1st floor of the City County Building. For additional information you can contact the State Rebate Office at 412-565-7540.

A tax receipt, which is needed to apply, is mailed annually or can be obtained at the counter in the Real Estate Division, 1st Floor of the City-County Building.

EXEMPTION FOR VISITABILITY DESIGN

This program offers tax credits as incentives to new construction or renovation projects that provide access for disabled individuals into residential housing. The total amount of the tax credit shall be the lesser of \$2,500, or the total amount of all increases in property taxes leveled as a result of the construction/renovation that is eligible for the Residential Visitability Design Tax Credit. Both the City and the county offer the \$2,500 tax credit. Contact the Development and Administration Review Division of the Department of City Planning for additional information and an application form.

REAL ESTATE TAX ABATEMENT PROGRAMS

There are residential and commercial exemption or abatement programs.

To meet eligibility for a particular program, the project must meet **ALL** of the criteria in each category.

NOTE: mixed-use buildings may be eligible for two abatement programs simultaneously. The building assessment will be pro-rated based on the use. Applications are available at the Building Permit Office and should be obtained when the building permit is issued. Applications are also available at www.city.pittsburgh.pa.us/finance. Applications must be filed within 180 days of the issuance of the building permit.

PROGRAM COMPARISONS

ASSESSMENT INCREMENT ABATED	FUTURE USE AND OWNERSHIP TYPE	ELIGIBLE AREA	CURRENT USE OF PROPERTY
100% increase tax due to improvements	Residential For sale or rental	CITY WIDE	Residential or Vacant Land
100% increase tax due to improvements	Residential For sale or rental	28 DEFINED AREAS	Residential or Vacant Land
100% increase tax due to improvements	Commercial or Industrial for sale or rental	CITY WIDE	Commercial Industrial or Vacant Land
100% YRS 1 & 2 90% YRS 3 & 4 80% YRS 5 & 6, & SO ON **	Residential rental (apartments) or hotels	4 DEFINED AREAS	Commercial or Industrial
100% increase tax due to improvements	Residential separately assessed units	4 DEFINED AREAS	Commercial or Industrial
100% increase tax due to improvements	Residential Single family Duplex Triplex Adapted reuse	CITY WIDE	Residential Vacant Land Commercial Industrial

* **C** – City **S** – School **CN** – County
A – City, School and County

*** Visitability tax credit can run concurrently with other residential programs.

The Act 42 programs are assessment reductions. The total tax benefit can change depending on the millage rate for the tax year. Visit the City of Pittsburgh's web site for information on the eligible areas.

The LERTA programs are tax credits. The maximum benefit cannot exceed the tax credit listed above.

** Both the City (Ord. 10) and the School District changed the exemption schedule from a reduced exemption over 10 years to a 100% exemption for 10 years for applications filed on or after July 1, 2007 through June 30, 2012.

REALTY TRANSFER

WHO IS TAXED: Every person (natural person, association, and corporation) that makes, executes, delivers, accepts or presents for recording a document which represents the transfer of property.

WHAT IS TAXED: The transfer tax is a tax upon the transaction involving the transfer of title to real estate. The transfer tax is imposed on all transactions that result in a transfer, for consideration, of a beneficial interest in real estate that is located within the limits of the City of Pittsburgh, and/or School District of Pittsburgh.

TAX RATES: 2% City of Pittsburgh-1% School District of Pittsburgh-1% Commonwealth of Pennsylvania

COMMON EXCLUSIONS: Transfer to certain relatives, transfer between government and instrumentalities, transfer to trustees for benefit of children, correctional deeds without consideration.

COMMON DEDUCTIONS: NONE

COMMON CREDITS: Real estate agents or brokers can claim a deed transfer tax credit when the instant property was taken in trade for another property, but not in excess of the tax due.

NOTES: In October 2005, the City and School District adopted the provisions of the Commonwealth of Pennsylvania's Realty Transfer Tax (72 P.S. § 8101-C et seq.) In addition the Commonwealth is authorized to act on behalf of the City and School District to enforce the collection of this tax. This tax is collected by realty transfer stamps that are issued by the Allegheny County Real Estate Department, Recorder of Deeds. The tax collected is then remitted to the City Treasurer. Pittsburgh Code Chapters 255 & 256.

Recorder of Deeds 412-350-4226

EARNED INCOME TAX - Individual

The Earned Income Tax (EIT) is commonly referred to as the wage tax. Although wages are the most common source of income taxed, wages are not the only source taxed.

The Net Profits Tax applies to the net income from businesses, professions and other self-employment endeavors. This includes but is not limited to: accountants, attorneys (both sole proprietor or as a partner) real estate sales representatives on commission, taxi drivers and consultants.

WHO IS TAXED: The tax is applied to people who earn income and/or net profits and are City and School District residents. Residents pay 1% city tax and 2% school tax for a total of 3%. Non-Pennsylvania residents who work within the City pay 1%. Mt. Oliver Borough residents pay the School Earned Income Tax of 2% to the City which acts as the tax collector for the School District. Mt. Oliver residents must also file directly with the Mt. Oliver Borough tax office to report the borough Earned Income Tax.

WHAT IS TAXED: Wages, salaries, tips, compensation that is earned, bonuses, stock options, covenant not to compete, other incentives, net profit from businesses or professions. The definition of compensation that applies for the Commonwealth of Pennsylvania is identical for the City and School District. Per PA Act 166 of 2002 and PA Act 32 of 2008.

COMMON EXCLUSIONS: Interest, dividends, active duty pay from the Armed Forces, pensions, Social Security and capital gains.

COMMON DEDUCTIONS: All expenses that are allowed on the State of Pennsylvania UE form.

COMMON CREDITS: Up to 1% of income taxes paid to a municipality in another state or to another state and not claimed on the PA-40. This credit applies to the city tax only.

FILING DEADLINE: Annual filing of the PGH-40 is April 15th. Taxpayers may file joint returns at their option.

FORMS USED

Self-employed individuals make quarterly payments using form **NP-5**.

Due dates are:

- 1st quarter due April 15
- 2nd quarter due June 15
- 3rd quarter due September 15
- 4th quarter due January 15

Individuals not self-employed and who do not have their tax withheld by the employer make quarterly payments on form **WT-4**.

Due dates are:

- 1st quarter due April 30
- 2nd quarter due July 31
- 3rd quarter due October 31
- 4th quarter due January 31

To obtain information and forms please call the Taxpayer Service Center at 412-255-2524.

The individual is responsible for quarterly filings when the source of income is not subject to withholding of City and School Earned Income tax. It is required that prepayments equal or exceed 75% of the ultimate tax liability unless the additional tax due is less than \$200 or where the sum of all prepayments equals or exceeds the previous year's tax liability.

If a person is employed for wages and has the EIT withheld by his/her employer, but also has self-employment income, estimates must be filed on form NP-5 for the self-employment income.

Pittsburgh Code Reference: Chapter 245, 246
References to School Tax - Act 508, Act 182 of 1982
First levied: 1954

Additional PGH-40 Forms 412-255-2524
Information on Filing PGH-40 Forms 412-255-2511

EARNED INCOME TAX– EMPLOYER WITHHOLDING

WHO MUST WITHHOLD TAX: Every employer with an office or place of business in the State of Pennsylvania is required to withhold the School District Earned Income Tax from employees who are residents of the Pittsburgh School District. As a matter of convenience to their employees, we encourage all out of city employers to also withhold the City portion of the Wage Tax.

Every employer with an office or place of business within the City must withhold both City and School District wage Tax from their employees who are residents of Pittsburgh. Additionally, if the employer has an office or place of business in Pittsburgh and outside of Pittsburgh, the employer must withhold both City and School District wage tax at all locations from employees who are residents of Pittsburgh.

Every employer with an office or place of business within the City must withhold the City Wage Tax at the rate of one percent (1%) from all non-residents of Pennsylvania who are employed within the City.

WHAT IS TAXED: What is taxable to the state of Pennsylvania on a W2 is taxable to the city and school district. If it is to be reported as compensation on line 1 of the Pennsylvania State tax return it is subject to the City and School District of Pittsburgh Earned Income Tax. Wages, salaries, tips, bonuses, stock options, or compensation of any form that is earned or distributable.

TAX RATE: For people who are domiciled in Pittsburgh, City 1% School District 2%.

FILING DEADLINE: Quarterly filings are due by the last day of the month following the close of the quarter.

TAX FORM: WT-1 QUARTERLY

NOTE: Any employer who withholds or expects to withhold more than \$200 per month in either City or School District Wage Tax must remit the tax on a monthly basis.

Pittsburgh Code Reference: Chapter 245, 246

For additional information call 412-255-2524 or 412-255-2510

Visit our website at www.city.pittsburgh.pa.us to get the latest tax rates.

PITTSBURGH POST OFFICE ZIP CODES

NOTE: Only some of the Pittsburgh Post Office Zip Codes are City of Pittsburgh Zip Codes and School District of Pittsburgh Zip Codes.

ALL OF

15201 - 15203 - 15206 - 15207 - 15208 - 15211 - 15213 - 15219 - 15222 - 15224 - 15230 - 15232 - 15233 and 15240 are totally within the City of Pittsburgh and School District of Pittsburgh. The City of Pittsburgh and School District of Pittsburgh tax must be withheld for all employees that live in these zip codes.

ALL OF

15202 - 15209 - 15215 - 15223 – 15225 – 15228 - 15229 – 15231-15236 - 15237 - 15238 - 15239 - 15241 - 15242 and 15243 **are not in the** City of Pittsburgh. Do not send any tax withholdings for employees who live in these zip codes. If you withhold for these employees, it is your responsibility to forward the tax to the respective municipality.

ZIP CODES THAT HAVE BOTH CITY AND NON-CITY ADDRESSES

15204 - 15205 -15210 - 15212 - 15214 -15216 - 15218 - 15220 - 15221- 15226 - 15227 - 15234 - 15120 and 15106

You can check the Allegheny County web site to check municipality information at

www2.county.allegheny.pa.us/realestate/search.asp

If the municipality listed is Mt. Oliver you need to withhold 2% and send that to the City of Pittsburgh for the School District, you will also need to withhold 1% and send that to Mt. Oliver Borough.

You can fax addresses in this category that need to be clarified for City withholding to 412-255-6821.

LOCAL SERVICES TAX

WHO IS TAXED: Every individual employed or self-employed within the City of Pittsburgh. Employers are required to withhold this tax from the earnings of their employees, but the employees are not relieved of liability until the tax is paid. If not paid via withholding, the employee must pay the tax directly to the City Treasurer. The \$52 is to be deducted evenly from pay checks throughout the year.

EXEMPTIONS: Upfront exemptions include when the total earned income from all sources within Pittsburgh is less than \$12,000, on Active Duty, or the employee is an honorably discharged veteran with 100% service-connected disability. The employee must file an exemption certificate with their employer. The Local Services Tax Exemption Certificate can be downloaded at www.city.pittsburgh.pa.us/finance

COMMON CREDITS: Pennsylvania law limits total payment by one person to a maximum of \$52 per year, regardless of the number of employers in a year.

EMPLOYEE REFUND: An employee whose total earned income from all sources within Pittsburgh is less than \$12,000 can apply for a refund of \$52 the following year using the Local Services Refund form which can be downloaded at the above address.

EMPLOYER WITHHOLDING QUARTERLY: The first quarter is due April 30. Quarterly filings are due by the last day of the month following the close of the quarter. **Employer must submit, on a CD, a year end summary of employee name, Social Security number, and the total amount paid for the year with the 4th quarter payment.**

This year end record layout can be viewed at www.city.pittsburgh.pa.us/finance - click on LOCAL SERVICES TAX RECORD LAYOUT

INDIVIDUAL FILING: Quarterly.

Pittsburgh Code Reference: Chapter 252

Forms used: LS-1 for employer and the LS-3 form for individuals who the tax has not been withheld from their employer. If you need additional forms call 412-255-2524.

First levied: 2008 (Prior to 2008 there was a \$52.00 Emergency and Municipal Services Tax).

BUSINESS PRIVILEGE TAX

WHO IS TAXED: Any business, trade or profession that maintains a business office in the City of Pittsburgh. This does not apply to retail or wholesale vending of goods, wares or merchandise, employment for wage or salary, or activities of a non-profit organization.

WHAT IS TAXED: Gross income attributable to a business office.

TAX RATE: 1 Mill (.001)

COMMON EXCLUSIONS: Receipts attributable to a bona fide out of City office; that portion of receipts attributable to interstate commerce; taxes collected as agent for a governmental body; any aspect of a business which is specifically exempted or excluded by law.

Effective 1-1-1997: The initial \$20,000 of income is excluded from gross receipts. Individuals, married couples, joint ventures, partnerships and corporations, are entitled to one \$20,000 exclusion. If you file more than one business tax return, you may take the exclusion against only one of the returns.

FILING DEADLINES: Annual filing is due April 15th. Deadline for new businesses is within forty (40) days of opening.

Pittsburgh Code Reference: Chapter 243.

For new business registration information call 412-255-2543

For additional forms call 412-255-2524

For information on filling out return call 412-255-2508

FIRST LEVIED: 1969. The Business Privilege Tax will be phased out by 2010.

PAYROLL EXPENSE TAX

WHO IS TAXED: All persons that engage, hire, employ or contract with one or more individuals, as employees, to perform work or render services within the City of Pittsburgh. The Payroll Tax is computed on the employer's payroll expense and on the net earnings distribution of sole proprietors, individuals, partnerships, associations, joint ventures or other entities that perform work, provide service or make sales within the City of Pittsburgh. You do not need to be located in the City of Pittsburgh to be subject to this tax.

WHAT IS TAXED: One hundred percent of the payroll expense is attributable to the City of Pittsburgh for employees who perform work or render services exclusively in the City of Pittsburgh.

One hundred percent of the net distributions are attributable to the City of Pittsburgh for person(s) who have net income from sales or services rendered exclusively in the City of Pittsburgh.

For employers whose employees perform work or render services partly within and partly outside of the City of Pittsburgh, the method of computing their payroll expense attributable to the City of Pittsburgh is to use the percentage of the total number of working hours employed within the City of Pittsburgh compared to the total number of working hours employed (within and outside) of the City of Pittsburgh for each individual employee.

Persons who have net income distributions generated from sales or services partly within the City of Pittsburgh or partly outside the City of Pittsburgh shall report on the net distributions or the sales or services within the City of Pittsburgh. Where it is impractical to determine the exact net distribution, an apportionment formula may be used. Any formula so established will be subject to review and correction by the City of Pittsburgh Finance Department. The data supporting the formula must be maintained as a part of office records for audit and review purposes. A thorough description explaining the formula shall be attached to the first return each year. The data supporting the formula shall be maintained for at least three (3) years as part of office records for audit and review purposes.

TAX RATE: 5 ½ Mills (.0055)

PAYROLL EXPENSE IS DEFINED AS: The total compensation paid, including salaries, wages, net distributions, commissions, bonuses, stock options and other compensation to all individuals who during any tax year, perform work or render services in whole or in part in the City of Pittsburgh. Employee contributions such as deductions resulting from employee election, whether deferred or otherwise, qualified cash or deferred arrangements, under Section 401(K) of the Internal Revenue Code 401(K) plans) must be reported as taxable. Compensation meeting the definition of earned income would be part of the Payroll Expense Tax. The Payroll Expense Tax is on gross payroll. Employers' portions of federal and state payroll taxes, health insurance, pension plans, etc., are not taxable.

COMMON EXCLUSIONS: A charitable organization shall calculate the tax that would otherwise be attributable to the City of Pittsburgh and file a return, but shall only pay the tax on that portion of its payroll expense attributable to business activity for which a tax may be imposed pursuant to Section 511 of the Internal Revenue Code. If the charity has purchased or is operating branches, affiliates, subsidiaries or other business entities that do not independently meet the standards of the "Institutions of Purely Public Charity Act", the tax shall be paid on the payroll attributable to such for profit branches, affiliates or subsidiaries, whether or not the employees are leased or placed under the auspices of the charity's umbrella or parent organization.

FILING DATES: The Payroll Expense Tax is to be paid as follows:

The first quarter is calculated on the payroll expense of the months of October, November, and December of the preceding year and is due February 28.

The second quarter is calculated on the payroll expense of the months of January, February, and March of the current year and is due May 31.

The third quarter is calculated on the payroll expense of the months of April, May, and June and is due August 31.

The fourth quarter is calculated on the payroll expense of the months of July, August, and September and is due November 30.

TAX FORM: ET-1

Pittsburgh Code Reference: Chapter 258

For new business registration call 412-255-2543.

For additional forms have your City account number available and call 412-255-2424.

For information on filling out return call 412-255-2508.

First levied: 2005

INSTITUTION & SERVICE PRIVILEGE TAX

WHO IS TAXED: Any foundation, partnership, corporation or other type of organization operating under a nonprofit charter or organized as a nonprofit entity which provides service to the general public or to a selected or limited number thereof. Entities covered include hospitals, libraries, universities, colleges, "schools, other than secondary or elementary", fraternal organizations, nursing homes, veteran organizations, health organizations, day care providers, and other organizations which typically have Internal Revenue Service status of 501(C)(3).

WHAT IS TAXED: Gross income.

EXAMPLES OF WHAT IS TAXED: Any type of service income, rentals, sale of non-alcoholic beverages, food and bingo.

COMMON EXCLUSIONS: Any activity conducted by a nonprofit organization, where the receipts in their entirety go to the organization and the activity is conducted by unpaid volunteers. Taxes collected, membership dues, voluntary or charitable contributions unrelated to specific service. Any taxes collected as an agent for the United States of America, Commonwealth of Pennsylvania, or the City of Pittsburgh.

Effective 1-1-1997: The initial \$20,000 of income is excluded from gross receipts. Every institution is entitled to only one \$20,000 exclusion. If you file more than one Institution & Service Privilege return, you may only take the exclusion against one of the returns.

COMMON DEDUCTIONS: NONE

COMMON CREDITS: NONE

FILING DEADLINE: Annual filing is due April 15th. Deadline for new businesses is within forty (40) days of opening.

Pittsburgh Code Reference: Chapter 247

New business registrations call 412-255-2543.

For additional forms have your city account number available and call 412- 255-2524.

For information on filling out the return, call 412-255-2508.

First levied: 1969

AMUSEMENT TAX

WHO IS TAXED: Patrons of any type of event that offers entertainment or allows the patrons to engage in the entertainment.

WHAT IS TAXED: Gross Admissions. The tax rate is 5%; however the reciprocal of .04762 is used as the multiplicand. **Example:** if \$10.00 is the total charged for admission to an event, the total ticket price already includes the amusement tax. You would multiply \$10.00 by .04762 = \$.48 amusement tax per ticket. \$9.52 admission and \$.48 tax, total price of ticket = \$10.00.

1. If a separate admission charge is not collected but the admission charge is included in the amount paid for food and drink, the amusement tax is 10% of 5%, or ½ % of the amount paid for food and drink.
2. When amusement is conducted at a social club or fraternal organization which also furnishes entertainment for which a separate charge is not made, the established price shall be 50% of gross receipts. The amusement tax will be 5% of 50% or 2 ½ % of gross sales.
3. Where admission is obtained solely or partly by a contribution or donation, and there is no established price, and not less than 75% of the proceeds go directly to benefit a charitable organization, then the admission is deemed to be 25% of the amount collected. The amusement tax is 5% of 25% or 1.25% of the collections.
4. Rate for certain performing arts. Pursuant to Act 186 of 2004 and implemented by Ordinance No. 46 of 2005 by the Council of the City of Pittsburgh effective January 1, 2006 subject to certain provisions of the Local Tax Enabling Act, the tax levied under Chapter 241 shall be imposed and collected at a reduced rate of two and one-half (2.5%) percent on admissions to places of amusement which are involved with performing arts for which the net proceeds there from inure exclusively to the benefit of an Institution of Purely Public Charity. The rate is (1.25%) for 2007 and zero (0%) for 2008 and 2009. A return must still be filed for 2008 and 2009.

COMMON EXEMPTIONS: A private annual affair of a non-profit organization where admission only covers the expenses and the affair is limited to its members and their guests. Free admission/tickets given to children under 12, disabled veterans, and members of the Armed Services on active duty and in uniform. Otherwise taxes must be paid on free admission/tickets if persons are admitted free to a taxable event where there is an established price.

COMMON CREDITS: NONE

FILING DATE: Filing is required by the 15th day of the month following the month during which the event is held.

NOTES: In addition to the Amusement Tax, every producer must secure an Amusement Tax Permit from the Department of Public Safety, Bureau of Building Inspection prior to the event at 412-255-2858. The fee for this permit varies according to the location and type of event held.

TAX FORM: AT

For additional information call 412-255-2320

Pittsburgh Code Reference: Chapter 241
Tax First Levied: 1947

PARKING TAX

WHO IS TAXED: Patrons of any parking facility within the City whether open to the public or not, to whom a fee is charged for parking or storing their vehicles.

WHAT IS TAXED: Gross parking charges. The operator acts as an agent for the City and collects the tax from the patron.

TAX RATE: 37.5% or .27273 of gross parking rate.

COMMON EXCLUSIONS: Parking associated with the occupancy of a residence.

COMMON CREDITS: NONE

FILING DATE: Filing is required by the 15th of the month for the month preceding. Registration of each separate parking lot or facility and each operator is required prior to beginning business activity. Tax returns must be filed even if no tax is due.

In addition to the Parking Tax, every operator must secure a license from the Bureau of Building Inspection. Call 412-255-2175 for additional license information or visit the web site at www.city.pittsburgh.pa.us/bbi

TAX FORM: PT

For additional information call 412-255-2683

Pittsburgh Code Reference: Chapter 253
First Levied: 1962

NON RESIDENT SPORTS FACILITY USAGE FEE

WHO HAS TO PAY THE FEE: Every employer who employs one or more non-resident employees who earn compensation as the result of services performed at a publicly funded facility within the City, to engage in an athletic event or otherwise render a performance for which a non-resident receives remuneration, is required to withhold and remit to the Treasurer the fee. In the event the employer fails, refuses or neglects to withhold or remit the fee, or any portion thereof, the employee shall be personally liable for payment of the fee and any applicable penalty. Any other user that engages in an event held in a public funded facility within Pittsburgh, for which they receive compensation, such as entertainers or performers, who are not residents of the City are also subject to the usage fee.

WHAT IS THE FEE BASED ON: Earned income. **Fee rate is 3%.**

EXAMPLES OF WHAT IS SUBJECT TO THIS FEE: Any player or employee of a sports team who engages in an athletic event for which they are compensated in Pittsburgh. The compensation attributable to Pittsburgh is determined by using a ratio of games in Pittsburgh to the total games played by the team. Other persons such as entertainers or performers who engages in an event in Pittsburgh for which they are compensated. The gross compensation attributable to Pittsburgh is determined by the specific amount received for each performance.

COMMON EXCLUSIONS: Residents of Pittsburgh.

COMMON DEDUCTIONS: None

COMMON CREDITS: None

FILING DEADLINE: Quarterly filings are due by the last day of the month following the close of the quarter.

Pittsburgh Code Reference: Chapter 271

For additional information call 412-255-8919.

For additional forms have your City account number available and call 412-255-2424.

For information on filling out return call 412-255-2508.

TAX TYPE	CITY RATE	SCHOOL RATE	CITY P & I	SCHOOL P & I
AT – Amusement Tax	5% or (.04762) of gross	N/A	5%+1%=6%	N/A
AT – Amusement Tax (<i>Performing Art</i>)	ZERO	N/A	5%+1%=6%	N/A
BP – Business Privilege Tax (<i>\$20,000 Exclusion</i>)	1 Mill (.001)	N/A	.5%+1%=1.5%	N/A
LS-1 – Local Services Tax	\$52.00	N/A	5%+1%=6%**	N/A
LS-3 – Individual Local Services Tax	\$52.00	N/A	.5%+1%=1.5%	N/A
ET-1 - Payroll Expense Tax	0.0055	N/A	1%+.5%=1.5%	N/A
ISP - Institution & Service Privilege (<i>\$20,000 Exclusion</i>)				
Services	6 Mills (.006)	N/A	.5%+1%=1.5%	N/A
Commissions	6 Mills (.006)	N/A	.5%+1%=1.5%	N/A
Goods, Ware & Merchandise Sold	2 Mills (.002)	N/A	.5%+1%=1.5%	N/A
Rental	6 Mills (.006)	N/A	.5%+1%=1.5%	N/A
Mercantile Tax – ELIMINATED 2005				
Mercantile License – ELIMINATED 2005				
NP-5 - Net Profit Tax				
Resident	1%	2%	.5%+.5%=1%	.5%+.5%=1%
Non-Resident of PA	1%	N/A	.5%+.5%=1%	N/A
Mt. Oliver	N/A	2%	N/A	.5%+.5%=1%
PGH-40 - Individual Earned Income Tax				
Resident	1%	2%	.5%+.5%=1%	.5%+.5%=1%
Non-Resident of PA	1%	N/A	.5%+.5%=1%	N/A
Mt. Oliver	N/A	2%	N/A	.5%+.5%=1%
PT - Parking Tax	37.5% (.27273)	N/A	5%+1%=6%***	N/A
Personal Property Tax – ELIMINATED 1995				
Real Estate Tax	10.8 Mills	13.92 Mills	0+0833%=.833%	0+0833%=.833%
Real Estate Transfer Tax	2%	1%	.5%+1%=1.5%	.5%+1%=1.5%
UF-1 - Non-Resident Sports Facility Usage Fee	3%	N/A	1%	N/A
WTD - Employer Monthly Wage Tax	1%	2%	5%+1%=6%****	5%+.5%=5.5%***
WT-4 - Employee Wage Tax	1%	2%	.5%+.5%=1%	.5%+.5%=1%
WT-1 - Employer Quarterly Wage Tax	1%	2%	5%+1%=6%****	5%+.5%=5.5%
WTE-3 – Employer Summary Form for W-2's	N/A	N/A	N/A	N/A

*Tax Rates are Subject to change.

Penalty and interest rates accrue monthly.

Check our web page for the most up to date rates at www.city.pittsburgh.pa.us/finance

**LS-1 10 month penalty maximum = 50% cap

***PT 10 month penalty maximum = 50% cap

****WT-1 & WTD 10 month penalty maximum = 50% cap

TAX RATES & PENALTY AND INTEREST RATES ARE SUBJECT TO CHANGE ANNUALLY

CITY OF PITTSBURGH ZIP CODES

CITY OF PITTSBURGH ZIP CODES ARE IN UPPER CASE – BOLD

NOT CITY - Boroughs and Townships are in lower case

PART CITY - Italic

15201 ALL CITY OF PITTSBURGH (LAWRENCEVILLE AND STANTON HEIGHTS)

15202 NOT CITY - Boroughs of Bellevue, Avalon, Ben Avon, Emsworth, and Townships of Kilbuck, Ohio, and Ross

15203 ALL CITY OF PITTSBURGH (SOUTHSIDE)

15204 PART CITY (SHERADEN, ELLIOTT, ESPLEN AND BROADHEAD) Part Ingram Borough

15205 PART CITY (CRAFTON HEIGHTS) Part Crafton, Ingram and Thornburg Boroughs and Townships of Kennedy and Robinson

15206 ALL CITY OF PITTSBURGH (EAST LIBERTY, MORNINGSIDE AND EAST END) Small part is Penn Hills Township

15207 ALL CITY OF PITTSBURGH (HAZELWOOD, GREENFIELD, GLENWOOD, GLEN HAZEL, HAYS AND LINCOLN PL)

15208 ALL CITY OF PITTSBURGH (HOMEWOOD, BRUSHTON, EAST END AND POINT BREEZE) Small part is Penn Hills Township

15209 NOT CITY – Millvale Borough and Townships of Shaler, Reserve and Ross

15210 PART CITY (KNOXVILLE, BELTZHOVER, CARRICK AND ARLINGTON) Part **MT. OLIVER BOROUGH - PITTSBURGH SCHOOL DISTRICT TAX ONLY - 2%**

15211 ALL CITY OF PITTSBURGH (MT. WASHINGTON AND DUQUESNE HEIGHTS)

15212 PART CITY (NORTHSIDE) Part Townships of Reserve and Ross

15213 ALL CITY OF PITTSBURGH (OAKLAND AND BELLEFIELD)

15214 PART CITY (NORTH SIDE) Part Townships of Reserve and Ross

15215 NOT CITY - Sharpsburg, Aspinwall, and Fox Chapel, Townships of O'Hara, Indiana and Shaler

15216 PART CITY (BEECHVIEW) Part Dormont Borough

15217 ALL CITY OF PITTSBURGH (SQUIRREL HILL, GREENFIELD AND BROWNS HILL)

15218 PART CITY (REGENT SQUARE AND SWISSHELM PARK)

Part Swissvale and Edgewood Boroughs

15219 ALL CITY OF PITTSBURGH (UPTOWN, HERRON HILL, SCHENLEY HEIGHTS)

15220 PART CITY (WEST END, WABASH, WESTWOOD AND BANKSVILLE) Part Greentree Borough and Township of Scott

15221 PART CITY (BRUSHTON, HOMEWOOD AND EAST HILLS) Part Boroughs of Wilkinsburg, Forest Hills, Braddock Hills and Churchill and Township of Penn

15222 ALL CITY OF PITTSBURGH (DOWNTOWN)

15223 NOT CITY- Borough of Etna and Township of Shaler

15224 ALL CITY OF PITTSBURGH (BLOOMFIELD AND GARFIELD)

15225 NOT CITY - Township of Neville and Neville Island

15226 *PART CITY* (BROOKLINE AND OVERBROOK) Part Borough of Mt. Lebanon, (601 to 1039 McNeilly Rd)

15227 *PART CITY* (CARRICK AND OVERBROOK) Part Boroughs of Brentwood, Baldwin and Whitehall

15228 NOT CITY - Borough of Bethel and Township of Mt. Lebanon and Upper St.Clair

15229 NOT CITY - Borough of West View and Township of Ross

15230 ALL CITY OF PITTSBURGH (DOWNTOWN BUSINESSES)

15231 NOT CITY - Greater Pittsburgh Airport - Moon Township

15232 ALL CITY OF PITTSBURGH (SHADYSIDE AND EAST END)

15233 ALL CITY OF PITTSBURGH (MANCHESTER AND NORTHSIDE)

15234 *PART CITY* (OVERBROOK) Borough of Castle Shannon Townships of Baldwin, Upper St.Clair and Mt. Lebanon

15235 NOT CITY - Borough of Churchill, Townships of Penn Hills and Wilkins. Small part City of Pittsburgh

15236 NOT CITY - Borough of Pleasant Hills, West Mifflin, Jefferson and Township of South Park

15237 NOT CITY - Borough of Franklin Park, Townships of Ross and McCandless

15238 NOT CITY - Borough of Blawnox and Fox Chapel Townships of O'Hara, Indiana, Harmar and West Deer

15239 NOT CITY - Borough of Plum

15240 VETERAN'S HOSPITAL

CITY OF PITTSBURGH - OAKLAND HOSPITAL

NOT CITY - Aspinwall Hospital on Delafield Road

15241 NOT CITY - Township of Upper St. Clair

15242 NOT CITY - Borough of Greentree

15243 NOT CITY - Townships of Mt. Lebanon, Scott and Upper St. Clair

15260 ALL CITY – THE UNIVERSITY OF PITTSBURGH

15282 ALL CITY – DUQUESNE UNIVERSITY

NOTE: Part of the 31st Ward, City of Pittsburgh is addressed Munhall PA 15120 - Part of the 28th Ward, City of Pittsburgh is addressed Carnegie PA 15106.

NOTE: A Post Office Box is not a place of residence, employee address is the residence.

QUESTIONS CALL 412- 255-2524 OR 412-255-8821

You can fax addresses to be checked that are in Zip Codes that have both City and non-City addresses to 412-255-6821. Please include a phone number on your fax in case of questions. For two or less address requests you can call 412-255-2524, when message comes on, press 4. You can also check the Allegheny County Website, to check municipality information on www2.county.allegheny.pa.us

EXAMPLE: 15204 is a Zip Code that has both City of Pittsburgh addresses and another municipality (Ingram Borough). If you withhold tax for Ingram, you must send it to Ingram and Pittsburgh withholdings must be sent to Pittsburgh.

From whom should you withhold Pittsburgh Earned Income Tax?

A resident of the City of Pittsburgh and School District of Pittsburgh is taxed at 3%.

An Out-of-State (non-resident of PA) who works in the City of Pittsburgh is taxed at 1%.

Persons who are on VISA that work in the City of Pittsburgh are taxed at 1%.

Do not withhold for employees who are non-residents of Pittsburgh, but are a resident of PA.

The City of Pittsburgh does not forward earned income taxes to any other municipality.

If a company withholds earned income taxes for any other taxing jurisdictions, it is their responsibility to forward the taxes to that taxing jurisdiction.

To verify where an employee lives, you should have them fill out form WTEX.

For additional information call 412-255-8821.