

Changes in the collection of local Earned Income Taxes (EIT) for residents of Thornburg due to PA Act 32

Effective January 1, 2012, the process by which local earned income taxes (EIT) are collected has changed. PA Act 32 was signed into law in 2008 with the goal of making the collection of local earned income taxes more efficient, consistent, and transparent. This act requires employers to withhold local earned income taxes on behalf of their employees and to remit these taxes to the appropriate tax collector for distribution to the municipalities in which the employees reside. Thornburg is in the Southwest Allegheny Tax Collection District, with Jordan Tax Services as its tax collector. *Berkheimer is no longer the local earned income tax collector for all residents of Thornburg.*

What this means for taxpayers:

If you are an employer based in the borough of Thornburg, you will need to withhold local earned income taxes for all of your employees. Thornburg is part of the Southwest Allegheny Tax Collection District, and its tax collector is Jordan Tax Services. All EIT withholdings should be remitted to Jordan. The required employer forms can be found at <http://www.jordantax.com/eitforms>. For additional information, please contact Jordan Tax Services at 724-731-2300, 412-835-5243, or custsvc@jordantax.com.

If you are a Thornburg resident employed by an organization that is withholding your local EIT, you will no longer file quarterly reports and make estimated tax payments. You will complete a Residency Certification Form (CLGS-32-6) for your employer which will identify Thornburg (PSD code 731005) as the municipality to receive the withheld EIT. Your employer will withhold the EIT and send it to Jordan Tax Services on your behalf. You will still be required to file an annual tax return to report the total amounts that were withheld over the course of the year.

If you are a Thornburg resident who is self-employed, you will need to file quarterly reports and make estimated tax payments to the tax collector *of the district in which you are employed*. If you work from your home in Thornburg (PSD 731005), your reports and payments should be sent to Jordan Tax Services, the tax collector for the Southwest Allegheny Tax Collection District. If you work from an office in another municipality, your reports and payments need to be sent to the tax collector for that municipality. For example, if you work in Monroeville (PSD 720301), your reports and payments should be submitted to Keystone Collections Group, the tax collector for the Southeast Allegheny Tax Collection District. Visit <http://www.jordantax.com/eitforms> to download the quarterly reports (*Southwest Allegheny County version*). To find the PSD codes and tax collectors for your office locations visit <http://munstatspa.dced.state.pa.us/FindLocalTax.aspx>.

Helpful resources:

Jordan Tax Services
724-731-2300 or 412-835-5243
custsvc@jordantax.com
<http://www.jordantax.com/>
(follow the links for ACT 32 Home)

Commonwealth of Pennsylvania
<http://www.newpa.com/>
(follow the links for *Act 32 Information, Income Tax*)

*If you have additional questions, please contact the Borough Secretary
at 412-921-3713 or thornburg.secretary@gmail.com.*