

RESIDENT FINAL RETURN INSTRUCTIONS

LINE 1 - GROSS EARNINGS

List taxable earnings here, as reported on line 1 of the Pennsylvania Income Tax Return (**Example: Box 16 of W2**).

Part Year Residency: If you were a resident for only part of the year, please prorate your earnings based on residency.

Taxable earnings: Report earnings received while permanently residing within Upper Dublin Township on line 1 only.

Non-taxable earnings: Report earnings received while permanently residing outside of Upper Dublin Township on line 5 only.

TAXPAYER MUST FOLLOW THE PA DEPT OF REVENUE REGULATIONS REGARDING TAXABLE COMPENSATION.

IF YOU RECEIVED NO EARNED INCOME FOR THE YEAR, ENTER "0" GROSS EARNINGS AND INDICATE THE REASON AT THE BOTTOM.

LINE 2 - ALLOWABLE BUSINESS EXPENSES

Deductions for unreimbursed business expenses as documented on form PA UE which must be filed with return.

LINE 3 - SUBTOTAL:

Subtract Line 1 - Line 2.

If this subtotal is less than 0, enter 0.

LINE 4 - TAXABLE NET PROFITS/LOSS FROM BUSINESS

Taxable net profits/loss include all non-passive earnings correctly reportable on Form PA 40 line 4, and must be supported by Schedules C, E, and/or K-1. Examples include, but are **not limited to:** reasonable income, self-employment, general partnership, and LLC/LLP. A business loss **can only** be used to offset net profits from another business.

SCORPORATION, LIMITED PARTNERSHIP & PASSIVE RENTAL LOSSES ARE NOT ALLOWABLE DEDUCTIONS. SEE LINE 5

LINE 5 - NON-TAXABLE EARNINGS

This is for reporting purposes only. Do NOT include this amount in any tax computations on this form.

Examples of non-taxable earned income that **MUST** be reported are:

Active Military Earnings

Part Year Residency: earned income received while permanently residing outside of Upper Dublin Township

UDT Exemption: if total annual earnings are less than \$3000, enter your total annual earnings here

Passive net profits: passive earnings from SCorporations, limited partnerships, and all other passive activities correctly reportable on Form PA 40 line 4, supported by K-1

THIS INCOME MUST BE REPORTED & SUPPORTED WITH PROPER SCHEDULES

LINE 6 - TOTAL TAXABLE EARNINGS:

Add Line 3 + Line 4.

UDT Exemption: If total annual earnings are less than \$3000, enter this amount on line 5 only.

DO NOT INCLUDE THE AMOUNT LISTED ON LINE 5 IN THIS CALCULATION.

LINE 7 - TAX DUE:

Multiply Line 6 x .01.
This is your tax liability.

LINE 8 - PHILADELPHIA & MISCELLANEOUS TAX CREDITS

Philadelphia City Wage Tax withheld and/or paid directly to Philadelphia, as supported on W2 or Net Profits Tax Form. (BPT is NOT acceptable.) May not exceed 1% of Earned Income Tax Due.

Miscellaneous tax credits*:

Credit for taxes paid to other states in excess of 3.07% due Pennsylvania or 1% of other state wages. Must file other state return AND PA Schedule G.

Credit for Non-PA city tax withheld by employer, as shown in Box 19 of W-2

*THESE MISCELLANEOUS CREDITS MAY **NOT** EXCEED 1% OF THE CORRESPONDING INCOME EARNED & MAY NOT BE USED TO OFFSET TAX DUE ON OTHER EARNINGS

IF THESE CREDITS ARE MORE THAN LINE 7, ENTER THE AMOUNT LISTED ON LINE 7

LINE 9 - LOCAL EARNED INCOME TAX WITHHELD

Local earned income tax withheld by employer as shown in Box 19 of W-2. Do **NOT** list Philadelphia tax paid on this line.

OPT, LST, STATE UNEMPLOYMENT & DISABILITY TAX ARE NOT CREDITABLE

LINE 10 - PRIOR YEAR OVERPAYMENT APPLIED

Overpayment from prior tax year applied to current tax year.

LINE 11 - ESTIMATED TAX PAYMENTS

Total quarterly estimated payments remitted to the Upper Dublin Township Earned Income Tax Office for current tax year.

LINE 12 - TOTAL CREDITS & PAYMENTS:

Add Line 8 + Line 9 + Line 10 + Line 11.

LINE 13 - OVERPAYMENT;

if line 12 > line 7, enter difference
Subtract Line 7 from Line 12. This difference is the amount overpaid. Please select one: credit to spouse/refund/donation. (No credits or refunds < \$1) Donation - contribution divided as follows: Twp portion to Open Space Fund/UDSD portion to Upper Dublin Education Foundation. Donation must be greater than \$1.00.

LINE 14 - TOTAL TAX BALANCE;

if line 7 > line 12, enter difference
Subtract Line 12 from Line 7. This difference is the remaining tax due.

LINE 15 - PENALTY/INTEREST DUE

Penalty/Interest is assessed for late and/or insufficient quarterly payments at the rate of 1% per month on the amount of tax due.

TAXPAYERS MAY NOT CHOOSE TO PAY THE TAX AT THE END OF THE YEAR.

All residents whose taxes are not withheld by their employer at a rate of 1% or more and all residents who are self-employed must file quarterly estimated payments. The only exception granted is Earned Income or Net Profits that total less than \$5,000 in the current year. A taxpayer in this category may elect to pay the entire tax due at the time the Final Return is due.

It is the taxpayers' responsibility to make sure they receive their quarterly forms and make quarterly estimated payments on a timely basis.

All taxpayers are required to meet 80% of their total yearly tax liability through quarterly estimated tax payments. Failure to meet this requirement will result in penalty and interest on the amount of the underpayment at a rate of 1% per month from each quarterly due date for which the tax remains unpaid.

LINE 16 - TOTAL PAYMENT DUE:

Add Line 14 + Line 15. This is the total payment due. Please enter this amount in the payment box located on the top portion of this form. (No payments < \$1)
Please enclose check or money order for any balance due of \$1.00 or more. If both taxpayers have a balance due, one payment may be submitted for the total due. Please include your Social Security Number or account number on the check. All checks returned by the bank, that cannot be re-deposited, will be subject to a \$15.00 fee by our office.

Make check payable & mail to:

Upper Dublin Township, EIT Collector
801 Loch Alsh Avenue
Fort Washington, PA 19034-1697

******NOTICE****Berkheimer has been appointed earned income tax officer beginning January 1, 2012. Any filing for the 2012 tax year should be sent directly to them. For information you can visit their website at www.hab-inc.com.**

Taxpayers are entitled to receive a written explanation of their rights with regard to the assessment, audit, appeal, enforcement, refund, and collection of certain taxes administered by the Township. A written explanation entitled "Upper Dublin Township Taxpayers' Bill of Rights Disclosure Statement" has been prepared for this purpose and is available without charge from the Township. You may request a copy from the Finance Department between the hours of 8:15 A.M. and 4:45 P.M. daily, except holidays. The Bill of Rights Disclosure Statement is also available on our website at www.upperdublin.net.