

CITY OF PITTSBURGH, LOCAL SERVICES TAX FOR EMPLOYERS OR SELF-EMPLOYED INDIVIDUALS

CITY CODE, TITLE TWO, CHAPTER 252

INSTRUCTIONS

WHO MUST FILE

All employers and self-employed individuals are required to collect the Local Services Tax from all employees and self-employed individuals, engaged in an occupation within the City of Pittsburgh.

PROFESSIONAL EMPLOYER ORGANIZATIONS-If you are a Professional Employer Organization, who is responsible for filing the Local Services Tax on behalf of your clients, complete the Local Services Tax Allocation Schedule for Professional Organization form found at www.pittsburghpa.gov/finance.

LINE 1- NUMBER OF EMPLOYEES PER QUARTER

To calculate the number of employees per quarter, you must count the total number of employees (including sole proprietor, owners and partners) for your established pay period. Your established pay period may be monthly, weekly, bi-weekly, etc. Include all full-time, part-time, temporary, seasonal, salaried and hourly workers. Enter the total number of employees for the quarter on line 1. If you are submitting an annual return, enter the total number of employees for the year. The employer must still file the quarterly returns.

LINE 2- AMOUNT DUE

Pennsylvania Act 7 of 2007 **requires that the \$52 be deducted evenly from paychecks throughout the year.** No more than \$52 should be deducted from a single employee's paycheck for the entire year. A worker who is paid weekly would see the tax deducted at the rate of \$1 a week; while someone who is paid bi-weekly would pay \$2 every pay.

EMPLOYER REQUIREMENTS

- In the case of concurrent employment the **employer shall refrain from withholding the Local Services Tax if the employee provides a recent pay statement from the principal employer that shows that the Local Services Tax is being withheld.**
- Employer must show on the employee pay stub the amount and locality to which the tax was paid (for Pittsburgh use "PGH"). Pay stubs will take the place of individual receipts.
- Employers must make upfront exemption forms readily available to employees at all times and provide new employees with the forms at the time of hiring.
- Employers must keep the exemption forms on file for 3 years.

WHEN TO FILE AND PAY

The employer shall file a return of taxes deducted for each three-month period (quarter) on or before the last day of the month following each three-month period.

FIRST QUARTER (03):	January 1 thru March 31 (due April 30)
SECOND QUARTER (06):	April 1 thru June 30 (due July 31)
THIRD QUARTER (09):	July 1 thru September 30 (due October 31)
FOURTH QUARTER (12):	October 1 thru December 31 (due January 31)
ANNUAL RETURN (12)	January 1 thru December 31 (due January 31)

REFUNDS

The City of Pittsburgh will issue refunds to the employer only if the employer provides evidence that the tax was refunded previously to the employee by the employer. If the employer can demonstrate that it made a computation error on the return and show that the underlying tax was not withheld from any person, the refund can be issued to the employer.

FOR ASSISTANCE CALL 412-255-2525

Has business been sold or discontinued? Do you need to update or change your business information? If **YES**, a **CHANGE IN BUSINESS STATUS FORM** must be completed and returned for processing. Form(s) can be downloaded at www.pittsburghpa.gov/finance or call **412-255-2525** to request the form.
