

TOWNSHIP OF HAMPTON & HAMPTON TOWNSHIP SCHOOL DISTRICT EARNED INCOME AND LOCAL SERVICES TAXES

EARNED INCOME TAX

This is the 1% tax that is paid by all wage earners including those who are self-employed based on residency in Hampton Township. The revenue collected is shared equally between the Township and the School District. **As of January, 2012, PA Act 32 took effect which mandates all PA employers withhold Earned Income Tax from employee paychecks. Earned Income Taxes for Hampton Township are collected by Keystone Collections (1-888-328-0558 or www.keystonecollects.com).**

All employees are required to complete a **Certificate of Residence** form with their employers. It is the employer's responsibility to get this information to you; **however, if your employer's payroll department is unfamiliar with this form, please suggest that they contact Keystone Collections at 1-888-328-0558.** The Township's/School District's six-digit political subdivision code is **710501**. It is extremely important that this code is correct when the form is submitted to your employer.

LOCAL SERVICE TAX (FORMERLY EMERGENCY & MUNICIPAL SERVICE TAX)

Effective January 1, 2008, LOCAL SERVICE TAX (Ordinance 701 which can be obtained by request only through the Township Manager's Office) was adopted and replaced the former Emergency & Municipal Service Tax. The Local Service Tax is assessed to employers with businesses located in Hampton Township and self-employed residents. The tax is \$52.00 per person per year and is now remitted quarterly by the employer or the self-employed resident to the Township's collection (Keystone Collections – 1-888-328-0558).

According to Commonwealth of Pennsylvania Act 7 of 2007, a person who is employed by a business located in Hampton or is self-employed within Hampton Township is required to pay \$52.00 once per year. The \$52.00 is to be pro-rated through the calendar year, depending on pay periods. For example, if you have 26 pay periods, you should divide the \$52.00 by 26 pay periods, you would withhold \$2.00 from each employee's pay each pay period. If an employee is going to make less than \$12,000 for the calendar year, the employee must file an exemption certificate (available to download from website). In the event a duplicate payment was made, a refund can be requested by completing the refund request form that can also be downloaded from the website. For more specific information and frequently asked questions, go to www.newPA.com.

All forms for Earned Income Tax and Local Service Tax can be obtained by visiting the website at www.hampton-pa.org. The forms will contain instructions for payment and mailing address.