

Notice to ALL EMPLOYERS within the SOUTH BUTLER COUNTY SCHOOL DISTRICT, PA:

Commonwealth of Pennsylvania ACT 32 of 2008 has mandated the 're-vamping' of the Earned Income Tax Collection across the state! It will reduce the number of state-wide 'collectors' from 560 to 69 'collection districts' and restructure how the Earned Income Tax is collected. It is EFFECTIVE JANUARY 1, 2012.

ALL EMPLOYERS (large and small) MUST withhold EIT from ALL EMPLOYEES. The tax rate will be determined by the employee's place of residency, with one exception: if the place where the employee resides has a higher EIT rate than the rate of the municipality where your business is located, then they are subject to the higher EIT rate. Areas with higher EIT rates are communities with a distressed pension plan (under Act 205) or a distressed area (under Act 47).

As employers in the SOUTH BUTLER COUNTY SCHOOL DISTRICT, the following changes will apply:

- A single Tax Collection Agency was selected by the Butler County Tax Collection Committee (BCTCC) to handle all EIT across the Tax Collection District (TCD) of Butler County. Berkheimer Tax Administrator has been chosen as the Tax Officer for Butler County. They will be sending notification and registration forms. If you do not receive a notification by the end of 2011, please call 1-610-599-3139.
- Employers are now required to obtain, and have on file, a Residency Certification Form from all employees, current and new. (See http://www.newpa.com/webfm_send/1605)
- A new Residency Certification Form is required of all employees if their place of residency changes. This will ensure the correct amount of money is withheld and remitted to the proper location.
- The employee's EIT rate is determined by ordinance of their political subdivision.
- All employers are required to withhold EIT of all employees subject to tax, in which, these taxes will be remitted to the Tax Officer.
- Codes have been established by the Department of Community and Economic Development (DCED) that reflect the employee's county, school district and municipality. Those codes can be accessed at the DCED website: www.newpa.com
- Employers will have 30 days after the end of each quarter to remit EIT to the Tax Collection District's appointed Tax Officer.
- Multi-site employers may elect to pay taxes in only one Pennsylvania Tax Collection District. However, these taxes must be remitted monthly according to all instructions on the DCED website: www.newpa.com

PLEASE NOTE: BERKHEIMER TAX ADMINISTRATOR will ALSO take over collection of the LOCAL SERVICES TAX beginning Jan. 1, 2012.