



2018 MUNICIPAL TAX INFORMATION FORM [DCED-CLGS-2565] TIP SHEET

IMPORTANT POINTS TO REMEMBER WHEN SUBMITTING YOUR ONLINE MUNICIPAL TAX INFORMATION FORM

- To access the Municipal Statistics login page, go to munstats.pa.gov/forms and enter your user name and password. Once you are logged in, access to the *2018 Municipal Tax Information Form* is obtained by clicking the link on your "Start Page" under "Your Pending Tasks", titled *2018 Municipal Tax Information Form*. **Please note that links for this form will not be available on user "Start Pages" until November 15, 2017.**
- You must check the certification box at the final review step and then click the confirm button to submit your online *Municipal Tax Information Form* to the Department of Community and Economic Development (DCED). Simply clicking *Save & Exit* will not complete your submission.
- This form is due January 15 of each year. However, **if you have any changes in rates, for either the Earned Income Tax or Local Services Tax, including Local Services Tax collector information, the Municipal Tax Information Form must be submitted to the DCED by December 1, 2017.** See additional information under "Filing Date Information" in this Tip Sheet.

E-FILING INSTRUCTIONS

Registered E-filers

If you have already registered to e-file with the DCED, please go to munstats.pa.gov/forms and enter your existing username and password, and click "Log In."

New E-filers

Those who are e-filing for the first time must complete a registration form by going to: munstats.pa.gov/forms and click the "Register" button in the lower left corner of the *Log in to Municipal Statistics box*. Once the online registration form is completed, it must be signed by the appropriate municipal official. Note that this form also requires a municipal seal. For your convenience and quick approval, you may fax the completed authorization form to us at 717.783.1402. If using a raised seal, rub a pencil over the seal, make a copy of the original, then fax the copy to us. This ensures that the seal is visible on the faxed copy. You can now set up your own user name and password during the registration process. The user name you choose may not contain any spaces or the @ symbol and must be at least three characters long. The password you choose must be at least eight characters in length with at least one upper case character, one lower case character, and one number. You will not be able to use this password until the DCED receives your completed E-filer Authorization and activates your e-filing privileges in the Municipal Statistics System. When logging in to the Municipal Statistics System, always make sure you are entering your user name and password in the *Log in to Municipal Statistics box* to e-file your information.

Existing Municipal Statistics Log-In Users

If you have not accessed the Municipal Statistics System Login site in the past 60 days, you will need to change your password before logging in. You can do this by clicking the link, "Forgot your user name or password?" in the *Log in to Municipal Statistics box* and following the prompts. Once you have created a new password in the Security section of the online form, be sure to click the *Submit* button at the bottom (do not hit the *Enter* key on your computer keyboard). You will receive an email with your user name and a system generated, password. Please make sure that you return to the *Log in to Municipal Statistics box* to log in and e-file your DCED forms.

Please Note - In order to function correctly, the Municipal Statistics website requires the following:

- Microsoft Internet Explorer 9 or later (also compatible with Microsoft Edge and Google Chrome web browsers)
- You may e-file from any computer with Microsoft Edge, Internet Explorer or Google Chrome web browsers.

EARNED INCOME AND LOCAL SERVICES TAX INFORMATION

Accurate Information

It is critical that EIT/LST rates be accurate or employers will under- or over-withhold taxes from your residents, which could reduce your cash flow. To ensure accurate rates, the DCED recommends that you review your final *Municipal Tax Information Form* with your EIT/LST collectors before submitting the Form.

Expanded Earned Income Tax Reporting in the Online Form

The *Tax Rates* Section of the *Municipal Tax Information Form* has now been expanded to include more Earned Income Tax (EIT) detail information. If you have increased your (EIT) rate as a result of one or more of the Acts listed in Question 4 in the *Tax Rates* section of the online form, you must check the boxes that apply **only if** your municipality's Earned Income Tax rate has increased. The form will automatically add the appropriate earned income tax lines where you will report the increased portion of your EIT rate.

Municipalities that are newly increasing the EIT rate must now split that rate between the standard EIT rate line and the appropriate EIT Act rate line. For example, say your municipality levies a .75% Resident EIT rate under the authority of Act 24 of 2001. Now that the *Municipal Tax Information Form* captures that portion of the EIT rate authorized under Act 24, you must reduce the standard EIT rate from .75% to .5% while simultaneously adding that .25% to the Act 24 EIT line.

Local Services Tax (LST) Collector Information

It is important that municipalities check the LST collector information on the *Municipal Tax Information Form* for accuracy. The LST collector information fields will remain open in the online form so that you may make changes if needed. Any changes in LST collector name and/or contact information for the upcoming year, must be received in the DCED by **December 1**, in order to be included in the Official Register.

Filing Date Information

The Taxpayer Relief Act, Act 1 of 1st Special Session of 2006 and the recent enactment of Act 32 of 2008, will affect the filing date for any new tax enactments, repeals, changes in withholding taxes and/or tax collector name and contact information. These provisions apply to the Earned Income Tax (EIT) and the Local Services Tax (LST). *Any new enactments, repeals or changes in rates for either the EIT or LST must be received in DCED by **December 1**, along with a fully executed ordinance/resolution, in order to be included in the Official EIT/PIT/LST Register (Official Register).*

Register Release Dates

The Official Register is released on December 15, for taxes which must be withheld on and after January 1. Employers are only required by law to withhold rates reflected on the Official Register. If no information is received concerning new withholding enactments, repeals or changes by **December 1**, existing rates will be maintained in the Official Register. Any new enactments, repeals or changes to withholding rates received after December 1, will be added to the Real-time Register upon receipt and released on the Official Register on June 15.

Earned Income Tax (ET) Collector Information

Earned Income Tax (EIT) collector information fields in the online *2018 Municipal Tax Information Form*, available November 15th, will be automatically populated by the DCED based on your municipality's Tax Collection District.

DCED Recommendation

The DCED recommends that municipalities that have newly enacted, increased or repealed the EIT or LST, but have not adopted final real estate tax rates for 2018 by December 1, 2017, submit their *Municipal Tax Information Form* with the EIT and LST information to the DCED by **December 1, 2017**, and after new real estate tax rates are adopted, submit an amended *Municipal Tax Information Form* along with a copy of the signed ordinance/resolution stating the new rates.

OTHER INFORMATION**Detailed Account of Real Estate Taxes**

The DCED requires a detailed breakdown of your municipality's real estate taxes. If your municipality levies a Real Estate related tax that is not listed on the form, please contact us.

Effective Dates of Ordinance/Resolutions

The DCED provides tax data to a wide variety of users and has received a large number of requests regarding effective dates. As a result, we are asking you to report the effective date (**the day a taxpayer is first subject to a given tax**) in the column provided only if you add, repeal or change a tax rate. **Please note that the effective date is not the date the tax ordinance/resolution was passed.**

Homestead/Farmstead Exclusion

This exclusion is a flat uniform dollar amount. It cannot exceed 50% of the median value of all homestead property within the taxing jurisdiction as certified by the county assessment office. Please provide the dollar amount of the real estate value reduction, NOT the tax payer savings. **If your school district has this exclusion, you should not report this in the *Municipal Tax Information Form*.**

Low Income Exemptions

If a low income exemption is applicable to any of the taxes levied by your municipality, please provide the dollar amount of the exemption in the column provided.

Ordinance/Resolution Submittal

The DCED is required to keep tax ordinance/resolutions on file. Please provide a copy of the fully executed ordinance/resolution for tax increases/decreases, repeals or new tax enactments. The DCED will not process any change to a tax without the signed ordinance/resolution.

Shared Municipal/School District Rates

Municipalities are not expected to correct or verify school district tax rates. The school district rates are shown for informational purposes and to elevate awareness as to what Act 511 taxes are subject to sharing with affiliated school districts.

"Split-Rate" Real Estate Tax Rates

If your municipality has "split-rate" real estate tax rates, our system will accommodate split rates for all real estate related taxes. You must provide the Taxable Assessed Value for Land as well as the Taxable Assessed Value for Buildings/Improvements **in addition to** the individual Land and individual Building/Improvement rates for each real estate related tax. The system will automatically calculate the blended rate.

Tax vs. Assessment

If your municipality levies a special purpose real estate tax [by ordinance or resolution - not just a budgeted amount - examples include fire equipment, capital projects, street light, fire hydrant, debt payment, etc.], the tax rate (in mills) should be recorded under the appropriate line on the *Municipal Tax Information Form*. Assessments [charges which are not uniformly levied across your municipality] and/or budgeted amounts under a specific line item [where a tax ordinance was not created] are not to be included on the *Municipal Tax Information Form*. Example: Street light and fire hydrant charges which only benefit those residents living within a designated area are considered assessments and should not be included on the *Municipal Tax Information Form*.

Call with Questions

Please feel free to call the Governor's Center for Local Government Services toll-free at 888-223-6837 if you have any questions when completing the *Municipal Tax Information Form*.