

ACT 32 – What EMPLOYERS Need to Know Now!

Beaver Tax Collection District



What is Act 32? Effective January 1, 2012, the Pennsylvania law referred to as "Act 32" requires significant changes in how local Earned Income Tax ("EIT") is withheld, reported, and collected in PA. Act 32 creates a governing body in each County Tax Collection District (or "TCD") known as the "tax collection committee" ("TCC") to appoint a single Tax Officer to collect EIT. The Beaver County TCC has appointed Central Tax Bureau of Pennsylvania or "CENTAX" to collect EIT throughout the Beaver TCD.

Beginning January 1, 2012, CENTAX will collect EIT for the following School Districts and Municipalities:

<u>Alliquippa SD</u>	<u>Big Beaver Falls Area SD</u>	<u>Beaver Area SD</u>	<u>South Beaver Twp</u>	<u>Hopewell ASD</u>	<u>Riverside Beaver Co SD</u>	<u>South Side Area SD</u>
Alliquippa City	Beaver Falls City	Beaver Boro	West Mayfield Boro	Hopewell Twp	Franklin Twp	Frankfort Springs Boro
<u>Ambridge Area SD</u>	<u>Big Beaver Boro</u>	<u>Bridgewater Boro</u>	<u>Enon Valley Boro</u>	<u>Independence Twp</u>	<u>Marion Twp</u>	<u>Georgetown Boro</u>
Ambridge Boro	Eastvale Boro	Brighton Twp	<u>Central Valley SD</u>	<u>Raccoon Twp</u>	<u>North Sewickley Twp</u>	<u>Greene Twp</u>
Baden Boro	Homewood Boro	Vanport Twp	<u>Center Twp</u>	<u>Midland Borough SD</u>	<u>Rochester Area SD</u>	<u>Hanover Twp</u>
Economy Boro	Koppel Boro	<u>Blackhawk SD</u>	Monaca Boro	Midland Boro	East Rochester Boro	Hookstown Boro
Harmony Twp	New Galilee Boro	Chippewa Twp	Potter Twp	<u>New Brighton ASD</u>	Rochester Boro	Shippingport Boro
South Heights Boro	White Twp	Darlington Boro	<u>Freedom Area SD</u>	Daugherty Twp	Rochester Twp	<u>Western Beaver Co SD</u>
		Darlington Twp	Conway Boro	Fallston Boro		Glasgow Boro
		Patterson Heights	Freedom Boro	New Brighton Boro		Industry Boro
		Patterson Twp	New Sewickley Twp	Pulaski Twp		Ohioville Boro

EMPLOYER Requirements –ASAP, Employers with a work location within the boundaries of any of the municipalities or school districts listed above must, if not already registered, register their names and addresses with CENTAX. Forms may be found http://www.centaxgroup.com/emp_downloads.html. Beginning January 1, 2012, such Employers must take the following steps in withholding and remitting EIT: (1) obtain a "Certificate of Residence" from each employee; (2) provide a list of all employee information from the Certificate to CENTAX; (3) determine from the Certificate of Residence the municipality and school district in which each employee resides, and then determine the DCED-provided "PSD codes" for these municipalities and school districts; (4) determine from the DCED tax register whether nonresident EIT is levied on employees working in the employer's municipality and, if so, the nonresident EIT rate and the PSD code for the employer's municipality; (5) determine from the DCED tax register whether the municipality and/or school district in which each employee lives levies EIT; (6) withhold EIT for each employee at the greater of the nonresident EIT rate or the combined municipality/school district resident EIT rate applicable to the employee. The "Certificate of Residence" form for employees may be downloaded at: http://www.newpa.com/webfm_send/1862 or the CENTAX website Employer section. PSD Codes are at: <http://www.newpa.com/get-local-gov-support/tax-information/dceds-act-32-eit-collection-system>. The DCED tax register is at: <http://munstatspa.dced.state.pa.us/>. **Beginning January 1, 2012, employers who fail to meet the requirements of Act 32 will be subject to penalties, fines, costs, and potential criminal conviction.**

EMPLOYER Instructions, Forms, and Training – Please visit our website at www.centaxgroup.com and click on "Employers" for more information.

EMPLOYER Electronic Filing- Beginning January 1, 2012, any employer with more than 50 employees will be required to file electronically. Other employers may also e-file. To e-file please use our website at www.centaxgroup.com and click on "Employers" for more information and instructions on how to e-file.