

Earned Income & Net Profits Tax

All residents of the Borough of Plum are required to pay the Earned Income and Net Profits Tax on salaries, wages and net profits earned while residing in the Borough. (To obtain more information on what is taxable; please visit the Pennsylvania Department of Community and Economic Development website by clicking on the link below. Once on the website, please click on "Get Local Gov Support", "Tax Information" and then "Earned Income Tax").

The tax rate is one-half percent (1/2%) each for the Borough and the Plum Borough School District, for a total tax rate of one percent (1%). The tax is due in quarterly installments. However, if your annual earnings are less than \$12,000, you are not required to make quarterly payments.

If at the end of calendar year 2011 you owe taxes for 2011 and prior tax years, you should continue making your payments to the Borough tax office. The Borough will continue collecting these prior year taxes through their tax office. For tax years 2012 and beyond, delinquent accounts will be collected by Keystone Collections Group. The total cost of fees attributable to delinquent tax collections shall be payable by the delinquent taxpayer. Taxes are considered to be delinquent if any tax remains unpaid in full thirty (30) days after the final tax returns are due.

Act 32 of 2008 requires all municipal governments and school districts in Pennsylvania counties, excluding Philadelphia, to select a single tax collector. It also requires that every employer withhold and submit earned income tax for each employee on a quarterly basis. The new mandatory withholding rule mandates employees to complete a certificate of deposit.

Beginning with the first quarter of 2012, the tax collector for the Borough and School District will be Keystone Collections Group. Residents should receive their 2012 quarterly forms during the first few months of the calendar year. If you have not received the appropriate forms or you have any questions, you can contact Keystone directly at 724-978-0300 or by clicking on their link below.

Pennsylvania Department of Community & Economic Development

<http://www.newpa.com>

Keystone Collections Group <http://www.keystonecollects.com>