

LGT Associates, INC  
P.O. Box 475 • Spring House, PA 19477  
(215) 628-3988  
**Earned Income Tax Return**

Year: \_\_\_\_\_  
File this return on or before April 15th  
Make checks payable to:  
LGT Associates, Inc.

Borough/Township:  
Lower Gwynedd Township  
Wissahickon School District  
Phone Number: \_\_\_\_\_

If you moved into or out of a Pennsylvania taxing district you must file a form with each district for the time spent in each. Please complete:

Present Address: \_\_\_\_\_ Boro/Twp: \_\_\_\_\_ From \_\_\_\_/\_\_\_\_/\_\_\_\_  
To \_\_\_\_/\_\_\_\_/\_\_\_\_  
Former Address: \_\_\_\_\_ Boro/Twp: \_\_\_\_\_ From \_\_\_\_/\_\_\_\_/\_\_\_\_  
To \_\_\_\_/\_\_\_\_/\_\_\_\_

Name:	Name:
Social Security #	Social Security #

PLEASE ATTACH W-2s HERE

1. Gross Earned Income (use state wages)
2. Less: Employee Business Expense (attach Form PA-UE)
3. Line 1 less Line 2 (not less than zero)
4. Net Profits less Net Losses (attach PA Schedules C, F or K-1) (Not less than zero)
5. Total Lines 3 & 4
6. Tax (1% (.01) of Line 5)  
Total Income \$5,000 or less (1/2% (.005) of Line 5)
7. Local tax withheld by employers
8. Estimated tax payments and carryover credit
9. Miscellaneous Credit (i.e. Philadelphia Tax or Out-of-State Credit)  
Attach PA and Other States returns or documentation of Philadelphia Credit
10. Total of Lines 7, 8 & 9
11. If Line 6 is larger than Line 10 enter balance due
12. Penalty  
(.06 x balance due)
13. Interest  
(.005 x balance due x months late)
14. Delinquent costs of \$10.00 (if filed after April 15th)
15. Total of Lines 11, 12, 13 & 14 **Amount Due** (omit payment if \$1 or less)

1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		

**Make checks payable to: LGT Associates, Inc**

16.	If Line 10 is larger than Line 6, enter payment option	<b>Refund</b>
	(No refunds or credits of \$1 or less)	<b>Credit</b>

Please Sign Here: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.  
Your Signature: \_\_\_\_\_ Spouse Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Paid Preparer: \_\_\_\_\_ Phone: \_\_\_\_\_ Date: \_\_\_\_\_

## Do Not Use for Earnings in Indiana, Maryland, New Jersey, Ohio, Virginia or West Virginia

OUT OF STATE TAX CREDIT COMPUTATION	T-1	T-2	PARTIAL YR RESIDENT COMPUTATION	T-1	T-2
1. Earned Income and or Net Profits taxed in both states	( )	( )	1. GROSS EARNED INCOME FOR YEAR	( )	( )
2. Less: Out of State Employee Business Expense on the income Line 1	( )	( )	2. NON-REIMBURSED BUSINESS EXP FOR YR	( )	( )
3. Less: Out of State loss from Schedule C, F, or K-1	( )	( )	3. INCOME EARNED AS NONRESIDENT OF TWP	( )	( )
4. Line 1 less 2 & 3 (not less than zero)	( )	( )	4. INCOME EARNED AS RESIDENT OF TWP	( )	( )
5. Tax paid to other state on earned income (not amt of tax withheld)	( )	( )	5. NON-REIMBURSED BUSINESS EXP AS RESIDENT OF TWP	( )	( )
6. Credit claimed on PA-40R for taxes pd to other state on earned income	( )	( )	6. INCOME SUBJECT TO TWP TX (LINE 4 - LINE 5) TRANSFER TO TAX RETURN	( )	( )
7. Unused credit (Line 5 less Line 6)	( )	( )			
8. Local Tax on out-of-state earnings (Line 4 x .01)	( )	( )			
9. Credit Allowed-the lesser of lines 7 or 8	( )	( )			
TRANSFER TO TAX RETURN					

### INSTRUCTIONS

Any resident of Lower Gwynedd Township who was employed or engaged in the operation of a business, profession, or other activity for income or profit shall file a return regardless of the fact that his or her wages may have been subject to withholding of the taxes by his or her employer and whether or not the tax is due.

Enclose all appropriate Schedules, W-2s and 1099 forms and tax returns. If proper documentation is not provided your form is considered invalid and will be returned. A \$10 late fee will be assessed. Expense deductions shall be systematically disallowed and denied if proper forms are not fully completed and submitted with this return.

**A TAXPAYER WHOSE TOTAL GROSS EARNED INCOME IS EQUAL TO OR LESS THAN \$5,000 HAS A TAX LIABILITY OF 1/2% (.005)**

**DUE DATE:** The return must be filed (postmarked) on or before April 15. Any balance of tax due must be paid at the time of filing. A \$10 late fee will be charged if the tax return is postmarked after April 15.

**EXTENSION REQUEST:** A taxpayer who files for an extension of time on their Federal Tax Return shall be entitled to a similar extension of time for filing the local return. Attach a copy of the Federal extension request form to the local tax return when filed. Extensions extend the due date for filing—payment must be received by April 15 or additional penalty and interest will be applied.

**TAXABLE INCOME:** Salaries; Wages; Commissions, Bonuses and Incentive Payments whether based on profits or otherwise; Fees, Tips and similar remuneration received for services rendered whether directly or through an agent and whether in cash or in property and other compensation as determined under section 303 of the "Tax Reform code of 1971; and regulations in 61Pa.Code Pt.I Subpt. B Art. V (relating to personal income tax); Back pay; Employee contributions to deferred compensation plans and old age or retirement benefit programs; Clergy pay; Deceased Taxpayer's Wages or Earnings; Dependent Care Assistance; 401(k) Premature Distributions-Employer Contributions; 401(k) Premature Distributions-Interest Earned; Golden Parachute Payments; Group Legal Services; Guaranteed Payments to Partners included with PA RK-1 for services rendered; Holiday pay; Jury Duty Pay; Mortgage assistance in lieu of other compensation; Non-cash payment for services rendered; Non-compete agreements, Non-qualified Deferred Compensation; Overtime Pay; Probate-Executor Fees; Qualified Deferred Compensation; Reimbursements in excess of actual expenses; Retroactive wage increases; Salary Advances; Severance Pay; Sick Pay-regular wages; Stand-by pay; Stock Bonus Plans; Stock Options; Supplemental Wage Plans; Taxes Assumed by Employer; Vacation Pay.

**UNREIMBURSED EMPLOYEE BUSINESS EXPENSES:** Unreimbursed Employee Business Expense, as determined by PA Dept. of Revenue Regulation and Rulings are allowed as a deduction against Earned Income. (Attach documentation)

**NON-TAXABLE INCOME:** Periodic payments for sickness and disability other than regular wages received during a period of sickness or disability; Disability, retirement or other payments arising under workmen's compensation acts, occupational disease acts and similar legislation by any government; Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of employment; Public Assistance; Unemployment Compensation; Payments to reimburse actual expenses; Payments made by employers or labor unions, including payments made pursuant to a cafeteria plan qualifying under Section 125 of the IRS Code of 1986 for employee benefit programs covering hospitalization, sickness, disability or death; Supplemental unemployment benefits or strike benefits; Compensation paid to United States servicemen serving in a combat zone; Payments received by a foster parent for in-home care of foster children from an agency of the Commonwealth or a political subdivision thereof or an organization exempt from Federal tax under section 501(c)(3) of the IRS Code of 1954; Payments made by employers or labor unions for employee benefit programs covering social security or retirement; Personal use of an employer's owned or leased property or of employer-provided services; Clergy Housing.

**NET PROFITS:** The net income from the operation of a business, profession, or other activity, except corporations, after provision for all costs and expenses incurred in the conduct thereof, determined either on a cash or accrual basis in accordance with accepted accounting principles and practices but without deduction of taxes based on income or as otherwise determined under section 303 of "The Tax Reform Code of 1971" and regulations in 61 PA code Pt.I Subpt.B Art.V (relating to personal income tax). The term does not include income which is not paid for services provided and which is in the nature of earnings from an investment; The term farming shall not include interest earnings generated from any monetary accounts or investment instruments of the farming business; any gain on the sale of farm machinery; any gain on the sale of livestock held twelve months or more for draft, breeding or dairy purposes; any gain on the sale of other capital assets of the farm. Examples of Net Profits include royalties and patent or copyright fees received by authors, composers, inventors and other such individuals; Guaranteed payments to partners as reported on PA Schedule RK-1.

**EFFECTIVE WITH TAX YEAR 2009 BUSINESS LOSSES CANNOT BE USED TO OFFSET EARNED INCOME. A LOSE FROM ONE BUSINESS CAN BE USED TO OFFSET NET PROFITS FROM ANOTHER BUSINESS OWNED BY THE SAME TAXPAYER.**

**TAX STATUS OF REAL ESTATE RENTAL PROFITS/LOSSES:** If reported as passive income to PA Department of Revenue then it is not taxable.

**SOLE PROPRIETORS:** Use PA Department of Revenue form(s) for reporting the net profits/losses from business activity.

**INDIVIDUAL PARTNERS:** Use PA Department of Revenue forms for reporting their share of net profits/losses from partnership activity.

**GUARANTEED PAYMENTS TO PARTNERS:** Report in the same manner as reported on PA Department of Revenue forms.

**S-CORPORATION PROFITS:** Generally distributions to shareholders are not taxable except where the shareholder provides services and DOES NOT RECEIVE a reasonable salary, the distribution of S-Corporation Profits to that shareholder shall be considered compensation for services rendered.

**OUT OF STATE CREDIT OR CREDIT FROM THE CITY OF PHILADELPHIA MAY NOT BE TRANSFERRED FROM ONE SPOUSE TO ANOTHER**

You are entitled to receive a written explanation of your rights with regard to the audit, appeal, enforcement, refund and collection of local taxes by calling Lower Gwynedd Township during the hours of 8:30a.m. to 4:30p.m. on any weekday other than a holiday.