

Cumberland County Tax Bureau collects the earned income/compensation tax and the net profits tax for the following school districts and municipalities. If you were a resident of any of the listed municipalities and school districts for any portion of the tax year, you are required to file a return with this bureau.

**Cumberland, Franklin and York County Taxing Jurisdictions**

School District	Township/Borough	Res. Rate	PSD	School District	Township/Borough	Res. Rate	PSD
Big Spring	Cooke Twp	1.65%	210101	Mechanicsburg	Mechanicsburg Borough	1.70%	210601
	Lower Frankford Twp	1.65%	210102		Shiremanstown Borough	1.70%	210602
	Lower Mifflin Twp	1.65%	210103		Upper Allen Twp	1.70%	210603
	Newville Borough	3.15%	210104		Shiremanstown Annex	1.80%	210604
	North Newton Twp	1.65%	210105	Shippensburg Area	Hopewell Twp	1.40%	210701
	Penn Twp	1.65%	210106		Newburg Borough	1.40%	210702
	South Newton Twp	1.65%	210107		Shippensburg Borough	1.40%	210703
	Upper Frankford Twp	1.65%	210108		Shippensburg Twp	1.40%	210704
	Upper Mifflin Twp	1.65%	210109		Southampton Twp (Cumberland)	1.40%	210705
	West Pennsboro Twp	1.65%	210110		Orrstown Borough (Franklin)	1.40%	210706
			Southampton Twp (Franklin)		1.40%	210707	
Camp Hill	Camp Hill Borough	2.00%	210201	South Middleton	South Middleton Twp	1.60%	210801
Carlisle Area	Carlisle Borough	1.60%	210301	West Shore	Lemoyne Borough	1.45%	210901
	Dickinson Twp	1.60%	210302		Lower Allen Twp	1.55%	210902
	Mt Holly Springs Borough	1.60%	210303		New Cumberland Borough	1.45%	210903
	North Middleton Twp	1.60%	210304	Wormleysburg Borough	1.45%	210904	
Cumberland Valley	Hampden Twp	1.60%	210401	Fairview Twp (York)	1.45%	210905	
	Middlesex Twp	1.60%	210402	Goldsboro Borough (York)	1.45%	210906	
	Monroe Twp	1.60%	210403	Lewisberry Borough (York)	1.45%	210907	
	Silver Spring Twp	1.70%	210404	Newberry Twp (York)	1.45%	210908	
East Pennsboro	East Pennsboro Twp	1.60%	210501				

**Non-Resident tax rates are available upon request.**

**The examples below do not limit the resolution(s)/ordinance(s) provisions and are not exhaustive. Please contact CCTB with your questions.**

**Earned Income Compensation Examples**

Salaries	Bonuses	Fees	National Guard Pay (except Active Duty)
Wages	Tips	Stipends	Employee Contributions to Retirement Accounts
Commissions	Incentive Payments	1-W Classification Pay	Any expense reimbursement in excess of the actual expense

Drawing Accounts - if amount received as a drawing account exceeds the salary or commissions earned, the tax is payable on the amount received. If the employee subsequently repays the employer any amount not in fact earned, the tax shall be adjusted accordingly.

Benefits accruing from employment, including but not limited to annual leave, vacation, holiday, sabbatical leave, compensation received

in form of property shall be taxed at its fair market value at the time of receipt, Jury Duty Pay, payments received from weekend meetings

National Guard or reserve units, sick pay (if employee received a regular salary during period of sickness or disability by virtue of employment agreement), separation payments and taxes assumed by the employer.

**What Is Not Subject To Tax**

3rd Party Sick	Scholarships	Cash or Property received as a gift, by Will or Statute of Descent or Distribution
Disability Benefits	Death Benefits	Retirement Distributions (except codes 1, 2, E, J, L and U)
Capital Gains/Losses	Interest/Dividends	Boarding or Lodging of employees for the convenience of the employer
Life Insurance proceeds	Social Security Benefits	Active Duty military pay (please contact the Bureau if prior to 2016)
Unemployment Compensation	Personal Injury Damages	Supplementary Unemployment Benefits
Gambling/Lottery winnings	Cafeteria plans	Clergy Housing Allowance
Personal use of a company car	Pensions	Public Assistance
Limited liability partnership profits (real estate, oil, mining or similar investments)		

**Unreimbursed Business Expenses PA Schedule - UE DOES NOT cover the below examples:**

Personal, living or family expenses	Costs of meals when working late (except while in work-travel status)
Temporary housing expense	Campaign or political contributions
Subscriptions to publications	Charitable contributions
Dues to professional or fraternal societies	Commuting Expenses
Chamber of Commerce or recreational club memberships	OPT/EMST/LST
Child/Elder care expenses	Malpractice Insurance premiums (except where required by law)
Life Insurance premiums, disability income	Pension Contributions
Health services, Insurance premiums	Fines, Penalties, legal fees (except to recover back wages)
Bad Debt	Bribes, Kickbacks and other illegal payments
Eligible job hunting expenses and pre-employment expenses	Residential phone service (charges for business purposes may be deducted)
Capital Expenditures except through depreciation. Certain depreciation expense exclusions may be taken. Federal depreciation or cost recovery deductions are acceptable for PA PIT purposes as an administrative convenience to compute allowable business expense deductions.	

**Net Profits**

While the definition of "net profit" in the Local Tax Enabling Act includes net income from the operation of a business, profession or other activity, it does not include income from corporations.

Most distributions passed through a taxpayer by an S Corporation are considered investment income and not subject to the earned income tax, unless the distributions are based on services provided by the taxpayer.

For taxpayers engaged in the business, profession or activity of farming, the term shall not include: Any 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.

Net profits do not include income that is "not paid for services provided" or that is in the nature of earning from an investment (passive income).

Persons engaging in more than one business activity during the tax year may offset a loss in one activity against the gain of another.