

**Bensalem Township and School District
Instructions for Employers Completing the Quarterly Local Services Tax Return**

General Information, When and Where to File and Remit Tax

The Local Services Tax (LST) is levied on persons who engage in an occupation in Bensalem Township. Employers are required to withhold and remit the tax and file quarterly returns. Employers must remit the LST on or before the last day of the month following the end of each quarter of a calendar year. Returns for the tax year 2009 are due April 30, 2009, July 31, 2009, October 31, 2009 and January 31, 2010. Returns and taxes for Bensalem Township and School District are remitted to the Tax Collector: MuniServices, LLC, 51 North Third Street, PMB #215, Philadelphia, PA 19106-4597. Additional LST forms and information are available at www.Muniservices.com. If you have any questions you can contact the Tax Collector at Bensalem@Muniservices.com or by calling 800.627.3491 ext. 4040.

Rate of Tax

The combined rate of tax levied by Bensalem Township and School District is \$52 (\$47 Township / \$5 School District). The tax is to be deducted evenly throughout the year from each employee's pay.

Exemptions

Certain persons are exempt from LST:

- (1) Persons with concurrent employment whose primary employment is outside of Bensalem Township and who pay the equivalent tax to the municipality in which the person is primarily employed; or persons with concurrent employment whose primary employment is with another employer in Bensalem Township and who pay the tax through that employer.
- (2) Persons with expected total earned income and net profits from all sources within Bensalem Township less than \$12,000. (This exemption applies to Bensalem Township portion of \$47 only. Employees that claim exemption under this category are required to pay the School District's \$5 portion of the \$52 LST.)
- (3) Persons that are honorably discharged veterans with 100% service-connected disability.
- (4) Persons that are on active duty in the U.S. Military.

Persons who wish to claim exemption must complete and file an exemption certificate form annually. Forms are available from the employer and the Township's Tax Collector www.MuniServices.com and must be filed with the employer **and** the Township's Tax Collector. Employers must maintain all completed exemption certificates and must include a copy with each quarterly return submittal.

Withholding and Payments for Payroll Periods

Withholding and payment of the LST is assessed on a pro rata basis according to the employer's established payroll periods for the calendar year. Payroll periods intervals are as follows:

- (W) Weekly payroll of 52 pay periods: LST assessed and withheld is \$1.00 per pay period.
(B) Bi-weekly payroll of 26 pay periods: LST assessed and withheld is \$2.00 per pay period.
(M) Monthly payroll of 12 pay periods: LST assessed and withheld is \$4.33 per pay period.
(O) Other payroll: Irregular payroll for self-employed and employment with unusual, periodic, or irregular pay periods, or pay periods other than listed above.
(A) Tax in arrears: If an employee is no longer eligible for an exemption, he/she must notify both the employer and the Tax Collector immediately, at which time the amount of tax owed for all prior quarters of the current calendar year must be withheld by the employer and remitted with the quarterly return being filed.

(continued on second page)

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Line-by-line instructions for completing LST-1

Step 1: Employers must first complete the LST Schedule to calculate the LST withheld in the quarter being reported.

Column	Description
(A) Social Security #:	Provide the social security number of each person employed during the quarter being reported including each self-employed person.
(B) Employee Name:	Provide the name (last, first, middle initial) of each person employed during the quarter being reported including each self-employed person.
(C) Pay Period Interval:	Insert the pay period interval for each employee using one of the following descriptions: (W) Weekly, (B) Bi-weekly, (M) Monthly, (O) Other, (A) Arrears.
(D) Tax Withheld:	Insert the tax per pay period based on the period interval (see above). Insert \$0.00 if exempt. (Important Note: See instructions on page one for exemption type 2 and note that the employees who claim exemptions under this category are required to pay the School District's \$5 portion of the \$52 LST. The employer is required to withhold and remit the School District's portion to the Tax Collector.)
(E) No. of Pay Periods:	State the number of pay periods in the quarter for each employee. If an employee was not employed for the entire pay period, state only the number of pay periods for which the employee was employed in this quarter.
(F) Total Tax Due:	Calculate the tax due by multiplying the (D) Tax Withheld amount by the amount in (E) Number of Pay Periods column.
(G) Exemption Date:	If employee is exempt and has filed an exemption certificate, provide the date that the exemption certificate was filed with the Tax Collector.
Subtotal:	If additional pages are needed to list all employee information, you must insert the total from the additional pages on this line.
Total:	Total tax due from the Total Tax Due this Quarter column.

Step 2: Employers must complete the top portion of Form LST-1.

Line 1:	State the number of employees in this quarter including self-employed and exempt individuals.
Line 2:	Insert total amount of tax from bottom of LST Schedule line "T".
Line 3:	If tax return is filed and/or tax is paid after due date on return, add .5% interest (multiply line 2 by .005).
Line 4:	If tax return is filed and/or tax is paid after due date on return, add .5% penalty (multiply line 2 by .005).
Line 5:	Add lines 2, 3 and 4.

The LST-1 Form must be signed by an authorized agent of the employer.
Mail your completed LST-1 Form to the Tax Collector for Bensalem Township and School District:

MuniServices, LLC
51 North Third Street, PMB #215
Philadelphia, PA 19106-4597.