

Guidance for International Students for Completing Pennsylvania & Local Tax Returns for 2018

If you received a W-2 from Lehigh University or another employer for income you earned in Pennsylvania, you are required to complete both a **Pennsylvania Income Tax Return (PA-40)** and a **Local Earned Income Tax Return**. You may complete both forms on-line or, if wish to file by mail, on paper. These instructions assume that you will be completing the forms on paper.

International students are **non-residents** of Pennsylvania for tax purposes. As a non-resident, your income subject to tax by Pennsylvania includes:

- Income received from Pennsylvania sources (e.g., compensation earning in Pennsylvania)
- Gains or losses on the sale of tangible property located in Pennsylvania
- Gambling or lottery winnings from Pennsylvania sources

Your Pennsylvania income does NOT include:

- Interest income, even if received from a Pennsylvania bank
- Scholarships from Pennsylvania sources, unless received as compensation for past or future services
- Any income from non-Pennsylvania sources (e.g., compensation earned for work performed in a different state or country).

Federal tax treaties do NOT apply to Pennsylvania taxes. Therefore, if you earned income from work at Lehigh, your Lehigh W-2 (Wage and Tax Statement) may show a smaller amount of compensation in box 1 (subject to Federal tax) than in box 16 (subject to Pennsylvania tax) and box 18 (subject to local earned income tax). This situation is illustrated in the attached sample W-2 for fictional student Lisa Hui.

Public School District

If Lehigh University was your only source of compensation income and you had no other income subject to tax by Pennsylvania, then determining the public school district (PSD) in which you live will be the most difficult part of completing your Pennsylvania and Local tax returns. The attached map of school districts in Lehigh County and Northampton County may help you determine the PSD for your neighborhood. Fictional student Lisa Hui lives near Lehigh University's campus, which is located in the Bethlehem Area School District. This PSD has a 5-digit "school code" of 48100 for the Pennsylvania Income Tax Return and a 6-digit "resident PSD code" of 480202 on the Local Earned Income Tax Return. These are the codes you should use if you live within walking distance of Lehigh's campus.

However, if you live further away, you might be in a different school district and that district may have a slightly higher tax rate for the Local Earned Income Tax. To find your Local Earned Income Tax rate and PSD code, go to <https://www.keystonecollects.com/page/taxpayer>, click on "Find PSD Code Link" and then select the appropriate county, municipality, and school district. Following this process for fictional student Lisa Hui, we can find that her total Earned Income Tax (EIT) rate is 1.000%.

Completing your Local Earned Income Tax Return

Earned income is the amount paid to you as compensation for work or services performed. Earned income does NOT include gains from the sale of property, gambling winnings, or any type of investment income. If you have sources of earned income that were not reported to you on a W-2, please see the

full instructions for the Local Earned Income Tax return at
<https://www.keystonecollects.com/forms/download/ITRInstructions.pdf>

To file your Local Earned Income Tax Return on paper, first download the fillable PDF at
<https://www.keystonecollects.com/forms/download/EITR.pdf>

If Lehigh University was your only source of Pennsylvania earned income, then you may complete your Local Earned Income Tax Return by following the sample tax forms completed for fictional student Lisa Hui. Pay particular attention to the shaded lines completed in this example.

Line 1, Gross Compensation as reported on W-2(s), should be the dollar amount shown in box 18 (local wages, tips, etc.) of your W-2. If you have more than one W-2 for work performed in Pennsylvania, simply add the box 18 amounts and show the sum on line 1.

Line 9, Tax Liability, requires that you first determine the appropriate Earned Income Tax Rate for your county and PSD as described above. Write that tax rate and the resulting tax amount in the spaces provided on line 9.

Line 10, Local Income Tax Withheld, should be the amount shown in box 19 of your W-2. In most cases, the amount on line 10 will be identical to the tax you computed on line 9. In this case, put a zero on lines 14, 16 and 19 indicating that no payment and no refund is due.

Local Earned Income Tax		
Where to file on-line:	www.keystonecollects.com then click... <ul style="list-style-type: none"> • Taxpayer Resources • Earned Income Tax • Register 	
Where to file paper forms by mail:	If you owe tax...	PAYMENT ENCLOSED KEYSTONE COLLECTIONS GROUP P.O. BOX 529 IRWIN, PA 15642-0529
	If you overpaid...	REFUND OR CREDIT KEYSTONE COLLECTIONS GROUP P.O. BOX 509 IRWIN, PA 15642-0509
	If you neither owe nor overpaid...	NO PAYMENT OR REFUND KEYSTONE COLLECTIONS GROUP P.O. BOX 549 IRWIN, PA 15642-0549

Be sure to sign and date your Local Earned Income Tax Return prior to filing.

Completing your Pennsylvania Income Tax Return (PA-40)

To file your Pennsylvania Income Tax Return on paper, first download the fillable PDF at
https://www.revenue.pa.gov/FormsandPublications/FormsforIndividuals/PIT/Documents/2018/2018_pa-40.pdf

The top section of the PA-40 form is similar to the Local return except that it uses a 5-digit “School Code” (i.e., 48100 for the Bethlehem Area School District). If you do not live in the Bethlehem Area School District, then see page 47 of the PA-40 instruction booklet (link below) to determine your “School Code”.

https://www.revenue.pa.gov/FormsandPublications/FormsforIndividuals/PIT/Documents/2018/2018_pa-40in.pdf

Line 1a, Gross Compensation, should equal the dollar amount shown in box 16 of your W-2(s) (State wages, tips, etc.). If you have more than one W-2 for work performed in Pennsylvania, simply add the box 16 amounts and show the sum on line 1a.

Line 12. Unlike the Local Earned Income Tax, the tax rate used to complete the Pennsylvania income tax is the same (3.07%) regardless of where you live in Pennsylvania.

Line 13, Total PA Tax Withheld, should equal the amount shown in box 17 of your W-2(s) (State income tax). The same amount goes on Line 24.

In most cases, the amount on line 24 will be identical to the tax you computed on line 12. In this case, put a zero on lines 26, 28 and 30 indicating that no payment and no refund is due.

Pennsylvania Income Tax (PA-40)		
Where to file on-line:	https://padirectfile.state.pa.us/authentication.asp	
Where to file by mail:	If you owe tax...	PA DEPT OF REVENUE PAYMENT ENCLOSED 1 REVENUE PLACE HARRISBURG, PA 17129-0001
	If you overpaid...	PA DEPT OF REVENUE REFUND OR CREDIT REQUESTED 3 REVENUE PLACE HARRISBURG, PA 17129-0003
	If you neither owe nor overpaid...	PA DEPT OF REVENUE NO PAYMENT OR NO REFUND 2 REVENUE PLACE HARRISBURG, PA 17129-0002

Be sure to sign and date your Local Earned Income Tax Return prior to filing.

Other States?

Some international students earn income from internships or other work performed in states other than Pennsylvania. Such students may have tax reporting obligations in these other states. Unfortunately, due to the complexity of other states’ requirements, Lehigh’s Office of International Students & Scholars cannot provide guidance for tax reporting in these other states.

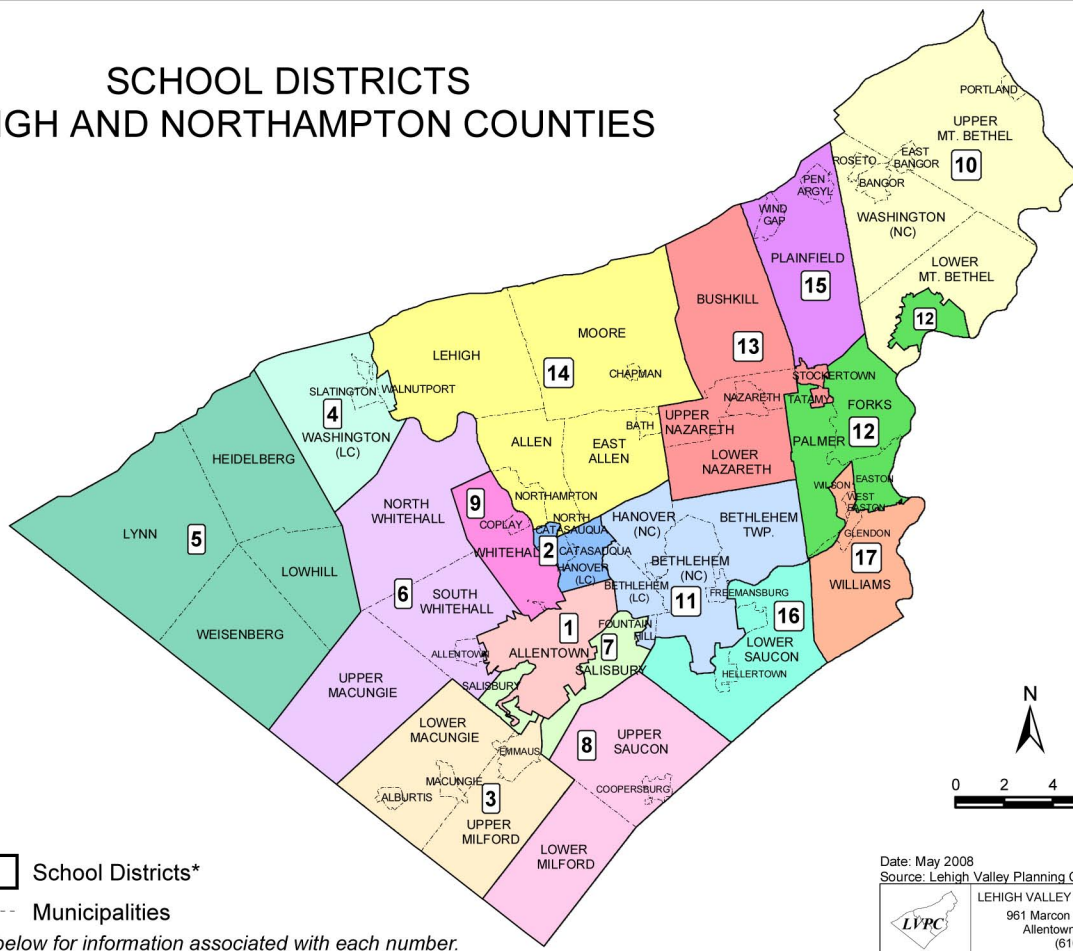
22222		a Employee's social security number 111-11-1111		OMB No. 1545-0008		
b Employer identification number (EIN) 24-0795445		1 Wages, tips, other compensation 8,000.00		2 Federal income tax withheld 800.00		
c Employer's name, address, and ZIP code Lehigh University 27 Memorial Drive West Bethlehem, PA 18015		3 Social security wages		4 Social security tax withheld		
		5 Medicare wages and tips		6 Medicare tax withheld		
		7 Social security tips		8 Allocated tips		
d Control number		9 Verification code		10 Dependent care benefits		
e Employee's first name and initial Last name Suff. Lisa Hui 200 University Ave., #1 Bethlehem, PA 18105		11 Nonqualified plans		12a C C C C e		
		13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b C C C C e		
		14 Other		12c C C C C e		
				12d C C C C e		
f Employee's address and ZIP code						
15 State PA	Employer's state ID number 24-0795445	16 State wages, tips, etc. 13,000.00	17 State income tax 399.10	18 Local wages, tips, etc. 13,000.00	19 Local income tax 130.00	20 Locality name 48 BETH

Form **W-2** Wage and Tax Statement
Copy 1—For State, City, or Local Tax Department

2018

Department of the Treasury—Internal Revenue Service

SCHOOL DISTRICTS LEHIGH AND NORTHAMPTON COUNTIES



School Districts*
 - - - - - Municipalities

*See below for information associated with each number.

Date: May 2008
 Source: Lehigh Valley Planning Commission
 LEHIGH VALLEY PLANNING COMMISSION
 961 Marcon Boulevard, Suite 310
 Allentown, PA 18109-9368
 (610) 264-4544

LEHIGH COUNTY

- 1- **Allentown**
Allentown (part)
- 2- **Catasauqua Area**
Catasauqua
Hanover Twp. (L)
North Catasauqua
- 3- **East Penn**
Alburtis
Emmaus
Lower Macungie Twp.
Macungie
Upper Milford Twp.
- 4- **Northern Lehigh**
Slatington
Walnutport
Washington Twp. (L)
- 5- **Northwestern Lehigh**
Heidelberg Twp.
Lowhill Twp.
Lynn Twp.
Weisenberg Twp.
- 6- **Parkland**
Allentown (part)
North Whitehall Twp.
South Whitehall Twp.
Upper Macungie Twp.

7- **Salisbury Twp.**
Salisbury Twp.

8- **Southern Lehigh**
Coopersburg
Lower Milford Twp.
Upper Saucon Twp.

9- **Whitehall-Coplay**
Coplay
Whitehall Twp.

NORTHAMPTON COUNTY

10- **Bangor Area**
Bangor
East Bangor
Lower Mt. Bethel Twp. (part)
Portland
Roseto
Upper Mt. Bethel Twp.
Washington Twp. (N)

11- **Bethlehem Area**
Bethlehem
Bethlehem Twp.
Fountain Hill
Freemansburg
Hanover Twp. (N)

12- **Easton Area**
Easton
Forks Twp.
Lower Mt. Bethel Twp. (part)
Palmer Twp.
Riegelsville (Bucks Co.)

13- **Nazareth Area**
Bushkill Twp.
Lower Nazareth Twp.
Nazareth
Stockertown
Tatamy
Upper Nazareth Twp.

14- **Northampton Area**
Allen Twp.
Bath
Chapman
East Allen Twp.
Lehigh Twp.
Moore Twp.
Northampton

15- **Pen Argyl**
Pen Argyl
Plainfield Twp.
Wind Gap

16- **Saucon Valley**
Hellertown
Lower Saucon Twp.

17- **Wilson Area**
Glendon
West Easton
Williams Twp.
Wilson

PA-40
 Pennsylvania Income
 Tax Return

1800110056

PA-40 04-18 (F1)
 PA Department of Revenue
 Harrisburg, PA 17129

2018

OFFICIAL USE ONLY

PLEASE PRINT IN BLACK INK. ENTER ONE LETTER OR NUMBER IN EACH BOX. FILL IN OVALS COMPLETELY.

Your Social Security Number Spouse's Social Security Number (even if filing separately)

CAREFULLY PRINT YOUR SOCIAL SECURITY NUMBER(S) ABOVE

Last Name Suffix

Your First Name MI

Spouse's First Name MI

Spouse's Last Name - Only if different from Last Name above Suffix

First Line of Address

Second Line of Address

City or Post Office State ZIP Code

Daytime Telephone Number School Code

Extension. See the instructions.
 Amended Return. See the instructions.

Residency Status. Fill in only one oval.
 R Pennsylvania Resident
 N Nonresident
 P Part-Year Resident from _____ 2018 to _____ 2018

Filing Status.
 S Single
 J Married, Filing Jointly
 M Married, Filing Separately
 F Final Return. Indicate reason:

D Deceased
 Taxpayer
 Date of death _____ 2018
 Spouse
 Date of death _____ 2018

Farmers. Fill in this oval if at least two-thirds of your gross income is from farming.

Name of school district where you lived on 12/31/2018:

Your occupation Spouse's occupation

1a. Gross Compensation. Do not include exempt income, such as combat zone pay and qualifying retirement benefits. See the instructions.	1a.	<input type="text" value="13,000.00"/>
1b. Unreimbursed Employee Business Expenses.	1b.	<input type="text"/>
1c. Net Compensation. Subtract Line 1b from Line 1a.	1c.	<input type="text" value="13,000.00"/>
2. Interest Income. Complete PA Schedule A if required.	2.	<input type="text"/>
3. Dividend and Capital Gains Distributions Income. Complete PA Schedule B if required. ...	3.	<input type="text"/>
4. Net Income or Loss from the Operation of a Business, Profession or Farm. ... <input type="checkbox"/> LOSS	4.	<input type="text"/>
5. Net Gain or Loss from the Sale, Exchange or Disposition of Property. <input type="checkbox"/> LOSS	5.	<input type="text"/>
6. Net Income or Loss from Rents, Royalties, Patents or Copyrights. <input type="checkbox"/> LOSS	6.	<input type="text"/>
7. Estate or Trust Income. Complete and submit PA Schedule J	7.	<input type="text"/>
8. Gambling and Lottery Winnings. Complete and submit PA Schedule T	8.	<input type="text"/>
9. Total PA Taxable Income. Add only the positive income amounts from Lines 1c, 2, 3, 4, 5, 6, 7 and 8. DO NOT ADD any losses reported on Lines 4, 5 or 6.	9.	<input type="text" value="13,000.00"/>
10. Other Deductions. Enter the appropriate code for the type of deduction. See the instructions for additional information.	10.	<input type="text"/>
11. Adjusted PA Taxable Income. Subtract Line 10 from Line 9.	11.	<input type="text" value="13,000.00"/>

Side 1



EC OFFICIAL USE ONLY FC

Social Security Number (shown first)

111-11-1111

Name(s)

12. PA Tax Liability. Multiply Line 11 by 3.07 percent (0.0307). 12. 399.10

13. Total PA Tax Withheld. See the instructions. 13. 399.10

ESTIMATED TAX PAID

14. Credit from your 2017 PA Income Tax return. 14.

15. 2018 Estimated Installment Payments. Fill in oval if including Form REV-459B. 15.

16. 2018 Extension Payment. 16.

17. Nonresident Tax Withheld from your PA Schedule(s) NRK-1. (Nonresidents only) 17.

18. Total Estimated Payments and Credits. Add Lines 14, 15, 16 and 17. 18. 0.00

Tax Forgiveness Credit, submit PA Schedule SP

19a. Filing Status: Unmarried or Separated Married Deceased 19b. Dependents, Part B, Line 2, PA Schedule SP.

20. Total Eligibility Income from Part C, Line 11, PA Schedule SP.

21. Tax Forgiveness Credit from Part D, Line 16, PA Schedule SP. 21.

22. Resident Credit. Submit your PA Schedule(s) G-L and/or RK-1. 22.

23. Total Other Credits. Submit your PA Schedule OC. 23.

24. TOTAL PAYMENTS and CREDITS. Add Lines 13, 18, 21, 22 and 23. 24. 399.10

25. USE TAX. Due on internet, mail order or out-of-state purchases. See the instructions. 25.

26. TAX DUE. If the total of Line 12 and Line 25 is more than Line 24, enter the difference here. 26. 0.00

27. Penalties and Interest. See the instructions for additional information. Fill in oval if including Form REV-1630/REV-1630A 27.

28. TOTAL PAYMENT DUE. See the instructions. 28. 0.00

29. OVERPAYMENT. If Line 24 is more than the total of Line 12, Line 25 and Line 27 enter the difference here. 29.

30. Refund - Amount of Line 29 you want as a check mailed to you. REFUND 30.

31. Credit - Amount of Line 29 you want as a credit to your 2019 estimated account. 31.

DONATIONS

32. Refund donation line. Enter the organization code and donation amount. See the instructions. 32.

33. Refund donation line. Enter the organization code and donation amount. See the instructions. 33.

34. Refund donation line. Enter the organization code and donation amount. See the instructions. 34.

35. Refund donation line. Enter the organization code and donation amount. See the instructions. 35.

36. Refund donation line. Enter the organization code and donation amount. See the instructions. 36.

SIGNATURE(S). Under penalties of perjury, I (we) declare that I (we) have examined this return, including all accompanying schedules and statements, and to the best of my (our) belief, they are true, correct, and complete.

Signature fields for taxpayer, spouse, preparer, and firm FEIN.

PLEASE DO NOT CALL ABOUT YOUR REFUND UNTIL EIGHT WEEKS AFTER YOU FILE.

