



DEPARTMENT OF REVENUE

Municipal Services Building, Concourse Level
1401 JFK Boulevard
Philadelphia, Pennsylvania 19102-1676

Commissioner Clarena I. W. Tolson

Chief Revenue Collections Officer

Dave Dorman

Deputy Revenue Commissioner

Tax Revenue Bureau

NEW W-2/1099 NOTICE REQUIREMENTS FOR BUSINESSES

Businesses are required to send notifications to their employees regarding the two programs detailed below by no later than **February 1, 2016**. Notification can be provided electronically or in hardcopy.

The Federal Earned Income Tax Credit (“EITC”):

Section 19-4000 of the Philadelphia Code states the policy of the City of Philadelphia is for every eligible Philadelphian to apply for and receive the maximum **federal Earned Income Tax Credit (“EITC”)**. EITC is a refundable federal credit available to low to moderate income individuals and families. The credit provides a financial boost for millions of hard-working Americans. Thousands of Philadelphia residents are not claiming EITC, which has an average benefit of over \$2,400 per return. The credit can be claimed when filing a federal tax return. Employers are now required to provide employees with a Department of Revenue prepared notice regarding the benefits and services available from the City to assist them in filing. Notification must be made at the same time employers provide the employees with a W-2, 1099, or comparable form.

The notice to be provided to employees will be available for download at www.phila.gov/revenue/EITC.

The City of Philadelphia Income-based Wage Tax Refund Program:

Section 19-1500 of The Philadelphia Code authorizes the reduction of the Wage and Net Profit Taxes by 0.5% for taxpayers eligible for the Pennsylvania Special Tax Forgiveness (“Schedule SP”) of the Pennsylvania Personal Income Tax Return. Eligible Philadelphia Wage taxpayers may petition the Department for a refund using an employer provided Income-based Wage Tax Petition. Under this program, employers must send W-2 employees an Income-based Wage Tax Petition to be filed with the Department of Revenue for a refund of the 0.5% in Wage Tax withheld. Employers may not reduce their employees’ Wage Tax withholding.

A petition for the Income-based Wage Tax Refund will be available for download at <http://www.phila.gov/Revenue/taxpro/Pages/refundpetitions.aspx>.

For more information:

Please visit www.phila.gov/revenue, contact us by phone at 215-686-6600, or via email at revenue@phila.gov.

Para servicios de traducción, llame por favor (215) 686-6600.
Для помощи с переводом, пожалуйста, обращайтесь по телефону (215) 686-6600.
Pour des services de traduction, appelez SVP (215) 686-6600.
如有翻译服务需要, 请致电(215) 686-6600.