

2021 Tax Rates and Information Bulletin



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2021 TAX UPDATE BULLETIN

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PAYROLL WITHHOLDING RATES AND LIMITS

The chart below can be used as a guide for 2020/2021 payroll withholding rates and limits.

	<u>2020</u>	<u>2021</u>
FEDERAL MINIMUM WAGE	\$7.25	\$7.25
PA MINIMUM WAGE	\$7.25	\$7.25
SOCIAL SECURITY <u>Taxable Wage Base</u> FICA Limit Medicare Limit <u>Employee Withholding</u> FICA Portion - 6.20% Rate Medicare Portion - 1.45% Rate Additional Medicare Tax - .9% Rate <u>Employer Liability/per employee 7.65%</u> FICA Portion - 6.20% Medicare Portion - 1.45% Rate Self-Employment Tax Rate	\$137,700 No Limit 7.65% \$8,537 Limit No Limit Imposed on wages over \$200,000 \$8,537 No Limit 15.30%	\$142,800 No Limit 7.65% \$8,854 Limit No Limit Imposed on wages over \$200,000 \$8,854 No Limit 15.30%
MAXIMUM EARNINGS - SOCIAL SECURITY RECIPIENTS Under Full Retirement Age for Entire Year* For Months Before Reaching Full Retirement Age in Given Year** Beginning with Month Reach Full Retirement Age *For each \$2 earned above this amount, \$1 benefit is lost **For each \$3 earned above this amount, \$1 benefit is lost	\$18,240 \$48,600 No Limit	\$18,960 \$50,520 No Limit
FUTA Taxable Wage Base Gross Tax Rate Minimum FUTA Credit Net FUTA Rate	\$7,000 6.0% (5.4%) .6%	\$7,000 .6%
FEDERAL INCOME TAX WITHHOLDING FROM SUPPLEMENTAL WAGES¹ <u>Method 1 - Flat Rate</u> Payments < \$1,000,000 Payments > \$1,000,000 or <u>Method 2</u>	22.0% (Highest Tax Rate 37%) Add the supplemental wages to the regular wages for the most recent payroll period; compute the income tax withholding as if the total were a single payment; subtract the tax already withheld from regular wages; withhold the remaining tax from supplemental wages. Use method 2 if no withholding was made from the employee's regular wages.	22.0% (Highest Tax Rate 37%) Add the supplemental wages to the regular wages for the most recent payroll period; compute the income tax withholding as if the total were a single payment; subtract the tax already withheld from regular wages; withhold the remaining tax from supplemental wages. Use method 2 if no withholding was made from the employee's regular wages.
STANDARD MILEAGE RATE Rate when using the simplified method to reimburse employees for business miles driven.	.575	Not Yet Released
PA PERSONAL INCOME TAX WITHHOLDING RATE	3.07%	3.07%
PA UNEMPLOYMENT COMPENSATION <u>Taxable Wage Base for Employer Contribution</u> <u>Employee Contribution Rate - withheld on employee total wages not limited as listed</u>	\$10,000 .06%	\$10,000 .06%

¹ Supplemental wages are payments to an employee, in addition to the ordinary wages, which are not regularly recurring, such as bonuses, prizes, awards, back pay, overtime, commissions and severance pay.

Backup Withholding:

Due to TCJA, as of January 1, 2018, payments that are not subject to normal income tax withholding, such as payments to independent contractors, interest, dividends, and royalties, are subject to withholding at a rate of 24% if the payee has failed to furnish his correct taxpayer identification number. These non-payroll income tax backup withholdings must be reported on Form 945, Annual Return of Withheld Federal Income Tax. There are two deposit schedules—monthly or semiweekly—for determining when you must deposit withheld federal income tax. These schedules tell you when a deposit is due after a tax liability arises (that is, you make a payment subject to federal income tax withholding, including backup withholding). You must determine which schedule you are before the beginning of each calendar year. For 2021, you're a monthly schedule depositor for Form 945 if the total tax reported on your 2019 Form 945 (line 3) was \$50,000 or less. If the total tax reported for 2019 was more than \$50,000, you're a semiweekly schedule depositor. There are two exceptions: The \$2,500 rule and the \$100,000 next-day deposit rule. If you accumulate a total Form 945 tax liability of less than \$2,500 for the year no deposits are required, and the liability may be paid with Form 945. If \$100,000 or more is accumulated on any day during a deposit period, it must be deposited by the next banking day, whether you are a monthly or semiweekly schedule depositor. If you were a monthly depositor your deposit schedule changes on the next day to semiweekly for the remainder of the year and for the following year as well.

New Employees:

Complete Immigration and Naturalization Service's Form I-9, Employment Eligibility Verification Form. Maintain completed forms as part of personnel files. Effective January 1, 2021, all new hires must complete the new 2021 version of the W-4 form. This form must also be used for current employees who want to change their withholding. Employers doing business in the Commonwealth of Pennsylvania must report the following employees:

- **New Employees:** Employers must report all employees who reside or work in the Commonwealth of Pennsylvania. Employees should be reported even if they work only one day and are terminated or leave employment prior to the employer fulfilling the new hire reporting requirement. However, if the employee never earned wages, he/she does not need to be reported.
- **Re-hires or Re-called employees:** Employers must report rehires, or employees who return to work after not receiving wages for more than 30 calendar days. This includes being laid off, furloughed, separated, or terminated from employment for any reason. Examples of such employees include teachers, substitutes, seasonal workers, etc.
- **Temporary employees:** Temporary agencies are responsible for reporting any employee who they hire to report for an assignment. Employees need to be reported only once; they do not need to be re-reported each time they report to a new assignment. They do need to be reported as a rehire if the worker has a break in service or gap in wages from the temporary agency.

The information must be submitted within 20 days of hiring the employee. Further information and reporting can be done online at www.panewhires.com.

Additional Medicare Tax:

Effective January 1, 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9% in Medicare taxes. An employer is required to begin withholding the 0.9% Additional Medicare Tax in the pay period in which wages in excess of \$200,000 are paid to an employee. There is no employer match for the Additional Medicare Tax.

COMPLIANCE WITH MINIMUM WAGE AND OVERTIME REQUIREMENTS

Back pay, penalty and interest for dealers who have not properly complied with the federal wage and hour laws and regulations can result from an audit situation. The following are some of the troublesome areas. Specific circumstances of individual employees should be reviewed with dealership legal advisors.

General Rule: Unless a specific exemption exists, an employee must be paid at least the federal minimum wage (\$7.25 per hour) and overtime at 150% of normal rate for hours over 40 in a week. The PA state minimum wage is also \$7.25 per hour, unless a specific exemption exists.

Commission Salesperson:

1. Must be paid minimum wage for all hours worked. Short settlement periods (weekly) can result in no commissions due for a period, result - pay due for the hours worked will be less than the minimum wage requirement. Suggestion - use a monthly settlement period with interim draws to cover minimum wage requirements to avoid this problem.
2. Should be required to keep time records.

Salaried Employees:

1. There is no exemption from minimum wage or overtime provisions simply because an employee is paid on a salary basis.
2. General office and finance office employees are potential problems. To be exempt, they must be either executives or bona fide administrative employees. Strict tests are set forth in the law for both exemptions. If employees do not meet these tests, they must be paid no less than minimum wage and overtime at a rate equal to 150% of their normal rate for all hours worked in excess of 40 hours per week.

Mechanics and Parts Persons: - Generally exempt from overtime pay requirements.

1. **Mechanics** - Individuals primarily performing mechanical work. Typically, this includes service mechanics, reconditioning mechanics and body shop mechanics. The following are among those activities not considered mechanical: painting, cleaning, polishing, tire changing and lubrication.
2. **Parts Persons** - Individuals whose primary duties include ordering, stocking, pulling and selling of parts. Parts delivery people do not qualify for this exemption.

Dealers may wish to consult NADA's *Management Guide, "Federal Wage-Hour Law and Equal Pay Act"*.

FRINGE BENEFIT MATRIX

The chart below can be used as a guide for understanding federal and state status of common fringe benefits.

It provides a reference for use in preparing employee W-2 Forms.

EMPLOYMENT TAX PROVISIONS	FEDERAL TAXABLE	FIT W/H	FICA W/H	SUBJECT TO FUTA	PA W/H	PA UC	LOCAL W/H
Auto - Personal Use	YES	OPTIONAL	YES	YES	1	YES	1
Bonuses	YES	YES	YES	YES	YES	YES	YES
Dependent Care	NO	NO	NO	NO	NO	NO	NO
Christmas Gifts (Other than non-cash gifts of nominal value)	YES	YES	YES	YES	YES	YES	YES
Club Dues	YES	YES	YES	YES	YES	YES	YES
Commissions	YES	YES	YES	2	YES	2	YES
Disability Insurance Premiums	NO	NO	NO	NO	NO	NO	NO
Sick or Disability Payments	3	YES	4	4	5	4	5
Qualified Cafeteria Plans	NO	NO	NO	NO	6	YES	6
HSA Contributions - Employer	NO	NO	NO	NO	NO	YES	NO
HSA Contributions - Employee	NO	NO	NO	NO	6	YES	6
Health Insurance Premiums (including dental & vision) paid by employer	NO	NO	NO	NO	NO	NO	NO
Non-qualified Deferred Compensation	YES	YES	YES	YES	7	YES	7
Group Term Life in Excess of \$50,000	YES	NO	YES	8	NO	NO	NO
Employer Paid Premium on Individual Life Insurance Policies	YES	YES	8	8	NO	YES	NO
401K & SEP (Employee Elective Deferral)	NO	NO	YES	YES	YES	YES	YES
Exceptions for S Corp. Shareholder							
Health Insurance	YES	YES	NO	NO	NO	NO	NO
Cafeteria Plans ⁹	-	-	-	-	-	-	-
Disability Insurance	YES	YES	NO	NO	NO	NO	NO

¹ No, if it is for use of employer owned or employer leased vehicle. Reimbursement for personal use of non-employer owned property is taxable unless under an accountable plan.

² Yes, unless the commission is paid to an insurance agent or solicitor who is paid solely by commission.

³ Yes, except for: workers compensation benefits; employer reimbursements for medical expenses from a fully insured plan or a nondiscriminatory self-insured plan; payments unrelated to an employee's absence from work (such as a fixed sum paid for a loss of a limb); damages on account of personal injury; and payments attributable to employee contributions.

⁴ Yes, through first six full calendar months following employee absence.

⁵ No, for sickness and disability pay unless it is a wage continuation pay where the employee receives regular wages from the employer.

⁶ No, if the cafeteria plan qualifies under IRC Section 125 as a hospitalization, sickness, disability, or death plan and does not discriminate in favor of highly compensated individuals.

⁷ No, if it meets the definition of a pension for Pennsylvania.

⁸ No, if the benefit is provided by a plan.

⁹ More than 2% S corporation shareholders, including their spouse, children, grandchildren, and parents, are not permitted to participate in cafeteria plans maintained by the S Corporation.

PENSION PLANS

The following chart reflects the 2021 pension deferral limitations announced by the IRS, compared with the 2020 limits.

MAXIMUM DOLLAR LIMITS

	2020	2021
401(k), Roth 401(k), 403(b), or 457 Elective Deferrals – employee contribution limit The lesser of this limit or 100% of compensation	\$ 19,500	\$ 19,500
Defined Contributions Plans – total annual participant contributions (includes employer contributions and employee deferrals) The lesser of this limit or 100% of compensation	57,000	58,000
Annual Compensation Limit – the annual compensation limit that can be considered for computing plan contributions and benefits	285,000	290,000
Highly Compensated Limit – the annual compensation limit when determining highly compensated employees	130,000	130,000
Key Employee Compensation Limit – the annual compensation limits an officer can earn before being considered a key employee (note: there are also other tests for determining key employees)	185,000	185,000
SEP Coverage Minimum Compensation – the annual compensation that must be earned to be eligible to participate in a SEP plan	600	650
SIMPLE Retirement Accounts – annual contribution limit	13,500	13,500
Defined Benefit Plans – maximum annual benefit payable to a participant under a defined benefit plan	230,000	230,000

Catch-up Contributions – A plan may allow individuals who have attained age 50 by year end to make catch-up contributions. The otherwise applicable dollar limit on elective deferrals under a 401(k) plan, 403(b) annuity, SEP or SIMPLE or deferrals under 457 plan is increased. Catch-up contributions are not subject to any other contribution limits and are not taken into account in applying other contribution limits. In addition, they aren't subject to applicable nondiscrimination rules. However, they must be available to all over age 50 participants on an equal basis. An employer is permitted to make matching contributions with respect to catch-up contributions. Any such matching contributions are subject to the normally applicable rules. The allowable catch-up contribution applicable to 401(k), 403(b), SEP and 457 plans is \$6,500 for 2020 and \$6,500 for 2021. For SIMPLE IRA and SIMPLE 401(k) plans the amount is \$3,000 for 2020 and \$3,000 for 2021.

TAX DEPOSIT RULES AND REQUIREMENTS

The following chart is a summary of Federal and Pennsylvania state payroll tax deposit requirements.

DEPOSIT FREQUENCY	FEDERAL	STATE
<u>Quarterly</u>	If the payroll tax liability is < \$2,500 in a calendar quarter the payment can be submitted quarterly with the filing of the Form 941. The due date is the last day of the month following the close of the quarter.	If the payroll tax liability is < \$300 in a calendar quarter the payment can be submitted quarterly with the filing of Form PA W-3. The due date is the last day of the month following the close of the quarter.
<u>Monthly</u>	If the payroll tax liability is > \$2,500 but \$50,000 or less during the four calendar quarters in the lookback period (July 1 through June 30 of prior year), taxes must be deposited on or before the 15th day of the following month by using EFTPS or by a federal reserve bank or authorized financial institution.	If the payroll tax liability is equal to or > \$300 but < \$1,000 in a calendar quarter the taxes must be paid on or before the fifteenth day of the following month using Telefile or E-TIDES.
<u>Semimonthly - PA only</u>	N/A	If the payroll tax liability is equal to or > \$1,000 but < \$5,000 in a calendar quarter the taxes must be paid on or before the third business day following the 15th and last days of the month.
<u>Semiweekly</u>	<p>If the payroll tax liability is > \$50,000 during the four calendar quarters in the lookback period, taxes must be deposited on or before Wednesday (for payment date of Wednesday, Thursday and/or Friday), or Friday (for payment date of Saturday, Sunday, Monday and/or Tuesday). Semi-Weekly depositors have a minimum of three business days after then of the semi-weekly period to deposit taxes. See below for those employers required to deposit using the Electronic Federal Tax Payment System (EFTPS).</p> <p><u>Special One-Day Rule Exception:</u> In the event an employer accumulates employment taxes of \$100,000 or more in any deposit period the liability must be deposited on the next banking day after the threshold is reached, regardless of the employer's deposit schedule. A monthly depositor, in this situation, becomes a semiweekly depositor on that day and remains for the remainder of the calendar year and for the following calendar year.</p> <p>See: "Electronic Federal Tax Payment System"</p>	<p>If the payroll tax liability is \$5,000 or greater per quarter or greater than \$20,000 or more per calendar year will be required to make semi-weekly deposits. The taxes are due on the Wednesday following the pay dates for employers whose paydays fall on a Wednesday, Thursday or Friday; and on the Friday following the pay dates for employers whose paydays fall on Saturday, Sunday, Monday or Tuesday. Use the Electronic Funds Transfer Program if the deposit is \$5,000 or more (see succeeding EFT info.).</p> <p>An employer that can reasonably anticipate that its employer withholding will be \$5,000 or more in a calendar year will be required to report and remit the tax on a semi-weekly schedule. This change requires the largest employers to submit withheld taxes to the department on a schedule similar to the one used by the IRS.</p>

ELECTRONIC PAYMENTS

Federal - Electronic Federal Tax Payment System (EFTPS) – Businesses must deposit taxes using EFTPS online, EFTPS voice response system (1-800-555-3453), asking your financial institution to make an ACH credit on your behalf, or asking a third party such as a tax professional or payroll service to make the payment for you. Only very small firms will be exempted from depositing electronically.... employers with \$2,500 or less in quarterly payments that pay their liability when filing their returns.

EFTPS Online – The IRS offers an internet payment system. Payments can be made online with no transaction costs. Taxpayers can enroll at www.eftps.gov.

State - Electronic Funds Transfer (EFT) Program - The Commonwealth of Pennsylvania has an electronic Funds Transfer (EFT) program. EFT is required to be used for payments of \$1,000 or more, but enrollment is open to anyone else who wishes to participate. Enrollment in the PA EFT program is not automatic and must be done through filing Form REV 331A Authorization Agreement for Electronic Funds Transfer (EFT) Of Tax Payments or online at www.doreservices.state.pa.us. Do not remit withholding of PA Personal Income Tax from nonresident partners or shareholders through the EFT program. Continue to send checks for these payments.

CORPORATION TAXES

	FEDERAL	STATE
Corporation Tax Rates	For 2021 tax returns, the tax rate is 21%	For 2021 tax returns the Pennsylvania Corporate Net Income (CNI) rate is 9.99%. The 2021 PA Capital Stock Tax (CST) rate is 0%. Economic Nexus will be imposed beginning in January 1, 2020. Nexus is for out-of-state corporations without physical presence but have direct or indirect gross receipts of \$500,000 or more from organizations, individuals or other sources in Pennsylvania.
Net Operating Loss Deduction	For 2021, the Tax Cuts and Jobs Act prevents NOL carrybacks and the NOL can be carried forward indefinitely. The NOL deduction will be limited to 80% of taxable income. The CARES Act brought the option to allow a five-year NOL carrybacks and eliminated the NOL deduction limit of 80% of taxable income for the years 2018 to 2020. The NOL was and continues to be carried forward indefinitely for 2018 to 2020. Previously, under the Tax Cuts Job Act, NOL carrybacks were not allowed in 2018 through 2020 and the NOL deduction was also limited to 80% of taxable income in 2018 through 2020.	<u>2021 PA NOLs can be carried forward 20 years.</u> The annual cap is 40% of the PA taxable income prior to the NOL deduction.
C Corporation Return Due Dates	Calendar year corporations must file their 2021 corporate return on or before April 15, 2022. Fiscal year corporations must file on or before the 15th day of the 4th month following the year-end, unless June 30 year end which is due the 15 th day of the 3 rd month following the year-end.	Calendar year corporations must file their 2021 corporate return on or before May 16, 2021. Fiscal year corporations must file within 30 days of the federal return due date.
Estimated Payment Due Dates	2021 deposit due dates for calendar year corporations are:	2021 deposit due dates for calendar year corporations are:

<u>Installment</u>	<u>Due Date</u>	<u>Installment</u>	<u>Due Date</u>
1st	April 15, 2021	1st	March 15, 2021
2nd	June 15, 2021	2nd	June 15, 2021
3rd	September 15, 2021	3rd	September 15, 2021
4th	December 15, 2021	4th	December 15, 2021
Fiscal year corporations are required to make quarterly deposits on the 15th day of the 4th, 6th, 9th and 12th months of their tax year.		Fiscal year corporations are required to make quarterly deposits on the 15th day of the 3rd, 6th, 9th and 12th months of their tax year.	

IRC Section 179 Expensing -

Federal Purposes- Under current federal law, businesses may deduct (rather than depreciate) the cost of certain assets, up to a maximum limit. The maximum dollar amount that may be deducted under Section 179 is \$1,040,000 for property placed in service in taxable years beginning in 2020 and \$1,050,000 for property placed in service in 2021. The maximum deduction amount is subject to the following limitations:

- 1.) Acquisition limitation: The deduction amount is reduced dollar for dollar where the taxpayer places in service during the tax year qualified tangible personal property in excess of an established limit. The acquisition limitation is \$2,590,000 for property placed in service in taxable years beginning in 2020 and \$2,620,000 for property placed in service in taxable years beginning in 2021 and;
- 2.) Taxable income limitation: The amount of deduction is further limited to the amount of taxable income from any of taxpayer's active trades or businesses.

Pennsylvania State Purposes -

C Corporations

- 1.) Follow the federal Section 179 rules/limits.
- 2.) \$1,040,000 for 2020 and \$1,050,000 for 2021.

Flow Through Entities - S Corporations, Partnerships, Sole-Proprietorships

- 1.) Follow federal law as it stood under the January 1, 1986 federal tax laws.
- 2.) \$25,000 limit for 2019 and 2020 and phases out beginning at \$200,000 in purchases.

SUV Deduction -

The tax law caps expensing at \$25,000 for SUVs with loaded weights between 6,000 and 14,000 pounds that are put in use after October 22, 2004. The cap was increased to \$25,900 for 2020 acquisitions and will be increased to \$26,200 for 2021 acquisitions.

Bonus Depreciation -

Federal Purposes - For property acquired after September 27, 2017, and placed in service before January 1, 2023, the applicable Bonus Depreciation rate is 100%.

Types of Qualified Property

- For property acquired after September 27, 2017, new and used tangible property that has a recovery period under the MACRS rules of 20 years or less;
- Water utility property (which, under MACRS, has a recovery period of 25 years);
- Computer software that is depreciated over 36 months, using the straight-line method;
- Qualified Improvement Property

Qualified Improvement Property, under the CARES act, retroactively assigns a 15-year recovery period to qualified improvement property placed in service after December 31, 2017. This property is now 100

percent bonus depreciable if all other bonus requirements are met. Previously, Qualified Improvement Property acquired and placed in service after December 31, 2017 and between December 31, 2022 was considered 39-year property and was not bonus eligible.

Dealers cannot elect out of application of the Section 163(j) business interest limitations, but may take bonus depreciation if they do not utilize the floor plan carve out to deduct its business interest expense.

Pennsylvania State Purposes - Under current statute, a C corporation that took advantage of the Federal Bonus Depreciation under IRC Section 168(k) must add-back the amount of the Section 168(k) deduction and then deduct using MACRS depreciation, until the amount of the disallowed expense has been recovered. If the taxpayer disposes of the property prior to recovering the disallowed expense, then the remainder of the disallowed Bonus Depreciation may be recovered in the year of disposition. No other method is permitted.

2021 TAX DUE DATES CALENDAR

	FORM	JAN.	FEB.	MAR.	APR.
Federal Withholdings: Return	941		1,10		30
Deposits (Refer to Federal tax deposit requirements) Monthly depositor	8109/ EFTPS	15	16	15	15
Federal Unemployment (FUTA) Return	940	31	10		
Deposits	8109/ EFTPS	31			30
PA Unemployment (PAUC) Return with deposits	UC-2	31			30
Public transportation Assistance Tax (PTA) Return with deposits	PA-4R/ EFT	20			20
2% Passenger Car Rental Tax Return with Deposits Licensing & title credit filing	PA-5 DAS28	20	15		20

	FORM	MAY	JUN.	JUL.	AUG.
Federal Withholdings: Return	941	10			2, 10
Deposits (Refer to Federal tax deposit requirements) Monthly depositor	8109/ EFTPS	17	15	15	16
Federal Unemployment (FUTA) Return	940				2
Deposits	8109/ EFTPS				
PA Unemployment (PAUC) Return with deposits	UC-2				2
Public transportation Assistance Tax (PTA) Return with deposits	PA-4R/ EFT			20	
2% Passenger Car Rental Tax Return with Deposits Licensing & title credit filing	PA-5 DAS28			20	

	FORM	SEPT.	OCT.	NOV.	DEC.
Federal Withholdings: Return	941			1, 10	
Deposits (Refer to Federal tax deposit requirements) Monthly depositor	8109/ EFTPS	15	15	15	15
Federal Unemployment (FUTA) Return	940				
Deposits	8109/ EFTPS			1	
PA Unemployment (PAUC) Return with deposits	UC-2			1	
Public transportation Assistance Tax (PTA) Return with deposits	PA-4R/ EFT		20		
2% Passenger Car Rental Tax Return with Deposits Licensing & title credit filing	PA-5 DAS28		20		

2021 TAX DUE DATES CALENDAR

REV-1716 (SU) 11-20



2021 FILING AND REMITTANCE DUE DATES EMPLOYER, W-2 AND 1099 FORMS

SEMI-MONTHLY REMITTANCE PERIOD END DATE: 15TH AND LAST DAY OF MONTH <u>PA-501 DUE DATES</u>	MONTHLY REMITTANCE PERIOD END DATE: LAST DAY OF MONTH <u>PA-501 DUE DATES</u>	QUARTERLY FILERS <u>PA-501 DUE DATES</u>	MONTHLY, SEMI-MONTHLY AND SEMI-WEEKLY FILERS <u>W-3 DUE DATES</u>
01/21/2021 07/20/2021 02/03/2021 08/04/2021 02/18/2021 08/18/2021 03/03/2021 09/03/2021 03/18/2021 09/20/2021 04/05/2021 10/05/2021 04/20/2021 10/20/2021 05/05/2021 11/03/2021 05/19/2021 11/18/2021 06/03/2021 12/03/2021 06/18/2021 12/20/2021 07/06/2021 01/05/2022	02/16/2021 03/15/2021 04/15/2021 05/17/2021 06/15/2021 07/15/2021 08/16/2021 09/15/2021 10/15/2021 11/15/2021 12/15/2021 01/31/2022	04/30/2021 08/02/2021 11/01/2021 01/31/2022	04/30/2021 08/02/2021 11/01/2021 01/31/2022
ALL FILERS The REV-1667 Annual Withholding Reconciliation Statement, along with the accompanying individual W-2/1099 tax statements, must be submitted to the department by January 31, 2022.			

2021 SEMI-WEEKLY REMITTANCE DUE DATES

	1ST QUARTER 2021 PERIOD ENDING 03-31-2021		2ND QUARTER 2021 PERIOD ENDING 06-30-2021		3RD QUARTER 2021 PERIOD ENDING 09-30-2021		4TH QUARTER 2021 PERIOD ENDING 12-31-2021	
	PAYROLL DATES	DUE DATES	PAYROLL DATES	DUE DATES	PAYROLL DATES	DUE DATES	PAYROLL DATES	DUE DATES
1	01/01	01/06/2021	04/01 - 04/02	04/07/2021	07/01 - 07/02	07/07/2021	10/01	10/06/2021
2	01/02 - 01/05	01/08/2021	04/03 - 04/06	04/09/2021	07/03 - 07/06	07/09/2021	10/02 - 10/05	10/08/2021
3	01/06 - 01/08	01/13/2021	04/07 - 04/09	04/14/2021	07/07 - 07/09	07/14/2021	10/06 - 10/08	10/13/2021
4	01/09 - 01/12	01/15/2021	04/10 - 04/13	04/19/2021	07/10 - 07/13	07/16/2021	10/09 - 10/12	10/15/2021
5	01/13 - 01/15	01/20/2021	04/14 - 04/16	04/21/2021	07/14 - 07/16	07/21/2021	10/13 - 10/15	10/20/2021
6	01/16 - 01/19	01/22/2021	04/17 - 04/20	04/23/2021	07/17 - 07/20	07/23/2021	10/16 - 10/19	10/22/2021
7	01/20 - 01/22	01/27/2021	04/21 - 04/23	04/28/2021	07/21 - 07/23	07/28/2021	10/20 - 10/22	10/27/2021
8	01/23 - 01/26	01/29/2021	04/24 - 04/27	04/30/2021	07/24 - 07/27	07/30/2021	10/23 - 10/26	10/29/2021
9	01/27 - 01/29	02/03/2021	04/28 - 04/30	05/05/2021	07/28 - 07/30	08/04/2021	10/27 - 10/29	11/03/2021
10	01/30 - 02/02	02/05/2021	05/01 - 05/04	05/07/2021	07/31 - 08/03	08/06/2021	10/30 - 11/02	11/05/2021
11	02/03 - 02/05	02/10/2021	05/05 - 05/07	05/12/2021	08/04 - 08/06	08/11/2021	11/03 - 11/05	11/10/2021
12	02/06 - 02/09	02/12/2021	05/08 - 05/11	05/14/2021	08/07 - 08/10	08/13/2021	11/06 - 11/09	11/12/2021
13	02/10 - 02/12	02/17/2021	05/12 - 05/14	05/19/2021	08/11 - 08/13	08/18/2021	11/10 - 11/12	11/17/2021
14	02/13 - 02/16	02/19/2021	05/15 - 05/18	05/21/2021	08/14 - 08/17	08/20/2021	11/13 - 11/16	11/19/2021
15	02/17 - 02/19	02/24/2021	05/19 - 05/21	05/26/2021	08/18 - 08/20	08/25/2021	11/17 - 11/19	11/24/2021
16	02/20 - 02/23	02/26/2021	05/22 - 05/25	05/28/2021	08/21 - 08/24	08/27/2021	11/20 - 11/23	11/29/2021
17	02/24 - 02/26	03/03/2021	05/26 - 05/28	06/02/2021	08/25 - 08/27	09/01/2021	11/24 - 11/26	12/01/2021
18	02/27 - 03/02	03/05/2021	05/29 - 06/01	06/04/2021	08/28 - 08/31	09/03/2021	11/27 - 11/30	12/03/2021
19	03/03 - 03/05	03/10/2021	06/02 - 06/04	06/09/2021	09/01 - 09/03	09/08/2021	12/01 - 12/03	12/08/2021
20	03/06 - 03/09	03/12/2021	06/05 - 06/08	06/11/2021	09/04 - 09/07	09/10/2021	12/04 - 12/07	12/10/2021
21	03/10 - 03/12	03/17/2021	06/09 - 06/11	06/16/2021	09/08 - 09/10	09/15/2021	12/08 - 12/10	12/15/2021
22	03/13 - 03/16	03/19/2021	06/12 - 06/15	06/18/2021	09/11 - 09/14	09/17/2021	12/11 - 12/14	12/17/2021
23	03/17 - 03/19	03/24/2021	06/16 - 06/18	06/23/2021	09/15 - 09/17	09/22/2021	12/15 - 12/17	12/22/2021
24	03/20 - 03/23	03/26/2021	06/19 - 06/22	06/25/2021	09/18 - 09/21	09/24/2021	12/18 - 12/21	12/27/2021
25	03/24 - 03/26	03/31/2021	06/23 - 06/25	06/30/2021	09/22 - 09/24	09/29/2021	12/22 - 12/24	12/29/2021
26	03/27 - 03/30	04/02/2021	06/26 - 06/29	07/02/2021	09/25 - 09/28	10/01/2021	12/25 - 12/28	01/03/2022
27	03/31	04/07/2021	06/30	07/07/2021	09/29 - 09/30	10/06/2021	12/29 - 12/31	01/05/2022

Returns are to be filed whether or not taxable transactions occur in a period. File and remit payments using one of the following electronic options:

- E-TIDES – File tax returns and remit payments to the department online using e-TIDES, a free business tax filing system available to all registered account holders. Visit www.etides.state.pa.us to register for e-TIDES.

- TeleFile – TeleFile provides a fast and secure way to file tax returns and remit payments by calling, toll-free, 1-800-748-8299.

- Third-Party Vendors – Approved third-party vendors provide for secure transmission for filing and paying. Visit www.revenue.pa.gov to learn more about this paperless filing option.

FILE ELECTRONICALLY USING E-TIDES AT



With the passage of Act 26 of 2011, businesses that reported or should have reported sales, use and hotel occupancy tax of \$25,000 or more for the third quarter of 2010 are now required to make prepayments of tax due and file a single monthly return by the 20th of the month.

Monthly prepayments must be at least 50 percent of the sales and use tax liability from the same month of the previous year. The return submitted on the 20th of the month must report the prior month's liability and include payment for remaining liability due for the prior month.

All business making prepayment should register to file and remit online using e-TIDES. Using this free electronic filing method will reduce unnecessary filing errors and assessments. If you are not currently registered to file using e-TIDES, visit www.etides.state.pa.us for additional information.

**2021 PENNSYLVANIA SALES, USE, HOTEL OCCUPANCY AND E-911 TAX RETURNS,
TAX PERIODS AND ADMINISTRATIVE DUE DATES**

REV-819 (SU) 11-20



**2021 PENNSYLVANIA SALES, USE, HOTEL
OCCUPANCY TAX RETURNS, TAX PERIODS
AND ADMINISTRATIVE DUE DATES**

MONTHLY FILERS		MONTHLY FILERS WITH PREPAYMENT REQUIREMENT	
TAX PERIOD END DATES	TAX PERIOD DUE DATES	TAX PERIOD END DATES	TAX PERIOD DUE DATES
01/31/2021	02/22/2021	01/31/2021	01/20/2021
02/28/2021	03/22/2021	02/28/2021	02/22/2021
03/31/2021	04/20/2021	03/31/2021	03/22/2021
04/30/2021	05/20/2021	04/30/2021	04/20/2021
05/31/2021	06/21/2021	05/31/2021	05/20/2021
06/30/2021	07/20/2021	06/30/2021	06/21/2021
07/31/2021	08/20/2021	07/31/2021	07/20/2021
08/31/2021	09/20/2021	08/31/2021	08/20/2021
09/30/2021	10/20/2021	09/30/2021	09/20/2021
10/31/2021	11/22/2021	10/31/2021	10/20/2021
11/30/2021	12/20/2021	11/30/2021	11/22/2021
12/31/2021	01/20/2022	12/31/2021	12/20/2021

QUARTERLY FILERS		SEMI-ANNUAL FILERS	
TAX PERIOD END DATES	TAX PERIOD DUE DATES	TAX PERIOD END DATES	TAX PERIOD DUE DATES
03/31/2021	04/20/2021	06/30/2021	08/20/2021
06/30/2021	07/20/2021	12/31/2021	02/22/2022
09/30/2021	10/20/2021		
12/31/2021	01/20/2022		

Returns are to be filed whether or not taxable transactions occur in a period. File and remit payments using one of the following electronic options:

- e-TIDES – File tax returns and remit payments to the department online using e-TIDES, a free business tax filing system available to all registered account holders. Visit www.etides.state.pa.us to register for e-TIDES.
- TeleFile – TeleFile provides a fast and secure way to file tax returns and remit payments by calling, toll-free, 1-800-748-8299.
- Third-Party Vendors – Approved third-party vendors provide for secure transmission for filing and paying. Visit www.revenue.pa.gov to learn more about this paperless filing option.

ELECTRONIC FUNDS TRANSFER (EFT) CHANGE

Taxpayers remitting payments of \$1,000 or more are required to remit using an approved electronic funds transfer (EFT) method.

MONTHLY FILERS WITH PREPAYMENT REQUIREMENT

AST Level 1

Each sales/use tax licensee whose actual tax liability for the third calendar quarter of the preceding year is \$25,000 but less than \$100,000 must pay 50 percent of the tax liability for the same month of the preceding calendar year or remit at least 50 percent of the actual tax liability required to be reported for the same month in the current year.

AST Level 2

Businesses remitting \$100,000 or more for the third calendar quarter of the preceding year must remit 50 percent of the tax liability due for the same month of the preceding year. Prepayments are due by the 20th of the current month, and returns for the period are due on or by the 20th of the following month.

FILE ELECTRONICALLY USING E-TIDES AT



SPECIAL REPORTING DATES	2021 OBSERVED HOLIDAYS AND OTHER SPECIAL DAYS
<p>Monday, February 1, 2021 2020 PA W-2 to Department of Revenue 2020 Form W-3 w/ W-2 Copy to SSA 2020 Form 8300 Notification to Vehicle Purchaser 2020 Form 1099 to Recipient 2020 Form W-2 to employees 2020 Form 1095 to employees</p> <p>Monday, March 1, 2021 2020 Form 1095 Copy to IRS Unless filed electronically 2020 Form 1096 w/1099 Copy to IRS Unless filed electronically</p> <p>Wednesday, March 31, 2021 2020 Form 1095 Copy to IRS If filing electronically 2020 Form 1096 w/1099 Copy to IRS If filing electronically</p> <p>Other 2020 Form 8300 to IRS within 15 days after date of transaction.</p>	<p>New Year's Day 2020 - January 1 Martin Luther King, Jr. Day - January 18 Washington's Birthday - February 15 Daylight Savings Time Begins - March 14 District of Columbia Emancipation Day - April 16 Mother's Day - May 9 Memorial Day - May 31 Father's Day - June 20 Independence Day - July 5 Labor Day - September 6 Columbus Day - October 11 Daylight Savings Time Ends - November 7 Veterans Day - November 11 Thanksgiving Day - November 25 Christmas Day - December 24 New Year's Day 2021 - January 1</p>

PENNSYLVANIA SALES/USE TAX, PUBLIC TRANSPORTATION ASSISTANCE FUND TAXES AND FEES (PTA)

The following charts and information can be used as a guide for understanding the Pennsylvania Sales/Use PTA Taxes. They provide a reference for use in the filing requirements for the particular taxes and information on what items are taxable.

FILING REQUIREMENTS

PA SALE/USE TAX	PA PUBLIC TRANSPORTATION ASSISTANCE FUND
<p>The Pennsylvania sales tax rate continues at 6.0%. The rate for Allegheny County has an additional 1% and Philadelphia has an additional 2%. ⁽¹⁾</p> <p>Sales Tax Collected on Motor Vehicles Sales: Sales tax collected on the sale of vehicles, at the rates listed above, must be submitted to PennDot along with the required title work and Form MV4ST, Vehicle Sales and Use Tax Return/Application for Registration, within 20 calendar days of a vehicle sale.</p> <p>Sales Tax Collected/Use Tax Incurred on Transactions Other Than Motor Vehicle Sales: Filing of the sales and use tax returns for sales, other than motor vehicles, is based on the amount of your tax liability.</p> <p>For quarterly and monthly accounts, the filing frequency for the <u>next</u> calendar year is determined by the amount of sales tax reported during the current, third calendar quarter (July through September). New vendors begin as quarterly filers.</p> <p>If the amount of sales tax reported in the third calendar quarter is \$600.00 or greater, the account will be required to file and pay on a monthly basis in the upcoming tax year. Payment is due the 20th day of the following month.</p> <p>If the amount of sales tax reported in the third calendar quarter is less than \$600.00, but greater than \$74.99, the account will be required to file and pay on a quarterly basis in the upcoming tax year. Payment is due the 20th day following the close of the quarter.</p> <p>If the amount of sales tax reported in the third calendar quarter is less than \$75.00, the account will be required to file and pay on a semi-annual basis in the upcoming</p>	<p>The special PTA Fund taxes and fees are collected on vehicle leases, tires, and vehicle rentals (see the subsequent chart for details on the tax).</p> <p>The PTA fees and taxes are to be remitted on a quarterly basis along with form PA-4R. Payment is due the 20th day of the month following the close of the quarter.</p> <p>The 2021 annual reconciliation must be filed no later than February 15, 2022 in order to claim a credit of licensing and title fees for the rental vehicles paid to the Commonwealth.</p>

tax year. The January through June liability is due August 20th. The July through December liability is due February 20th (2021).

For semi-annual accounts, the filing frequency for the next calendar year is determined by the total amount of sales tax reported during the last half of the previous tax year and the first half of the current tax year.

If the amount of sales tax reported during that time period is \$2,400.00 or greater, the account will be required to file and pay on a **monthly** basis in the upcoming tax year. Payment is due the 20th day of the following month.

If the amount of sales tax reported during that time period is less than \$2400.00, but greater than \$299.99, the account will be required to file and pay on a **quarterly** basis in the upcoming tax year. Payment is due the 20th day following the close of the quarter.

If the amount of sales tax reported during that time period is less than \$300.00, the account will be required to file and pay on a **semi-annual** basis in the upcoming tax year. The January through June liability is due August 20th. The July through December liability is due February 20th (2021).

Note: The PA Department no longer issues paper Sales and Use Tax Coupon Booklets. The paper filing system for Sales & Use tax returns has been replaced with:

1. Internet Filing (E-TIDES), or
2. Tele-Filing

Registration for internet filing can be done at www.revenue.state.pa.us

PENNSYLVANIA SALES/USE TAX 2020/2021

In response to COVID-19 pandemic, Governor Tom Wolfe issued the Proclamation of Disaster Emergency on March 6, 2020. Temporary work from home employees will not create nexus for Corporate Net Income Tax or Sales and Use Tax. The guidance is effect to the earliest of the June 30, 2021 or 90 days after Proclamation of Disaster is lifted in Pennsylvania. It should be noted each state has different responses to the influx of remote workers due to COVID-19.

TRANSACTIONS	6% SALES/USE TAX 1% Allegheny County and 2% Philadelphia Sales & Use Tax (1) Beginning July 1, 2019, vendors who have no physical presence but whose direct sales and facilitated marketplace sales attributed to Pennsylvania exceed \$100,000 must register to collect and remit Pennsylvania sales tax.
NEXUS	
<u>Demonstrator Vehicles and Free Service Loaners</u> Less than one year of usage	6% Use tax is charged monthly on the fair rental value of the vehicle (the amount charged for the rental of a vehicle in the market for a similar period of time and place) for the time that the vehicle is in taxable service. If the fair rental value is unknown, 3% of the fair market purchase price at the time of acquisition is acceptable as a monthly fair market rental value.
<u>Courtesy Cars, Parts Trucks, Delivery Trucks, Wreckers</u>	6% Sales tax based on the acquisition cost of the vehicle when that vehicle is first placed into use.
<u>Extended Warranties</u>	6% Sales tax based on cost of contract. ⁽²⁾
Sale of extended warranty contract	
Repair under full warranty	Not subject to Sales tax.
Repair under partial warranty	6% Sales tax on the amount owed by the customer.
Repair under warranty with deductible	6% Sales tax on the deductible.
Rental vehicle provided under warranty coverage	Not subject to Sales tax (nor rental tax)
<u>Rebates & Manufacturer Credit Card Rebates</u> If reduces overall purchase price of vehicle	Not subject to sales tax.

If used as "cash down" and does not reduce overall purchase price	6% Sales tax.
<u>Life, Accident, and Sickness Insurance Coverage</u>	Exempt from PA sales tax if separately itemized.
<u>Trade-In (3)</u> Total trade-in applied to purchase price at the time of sale	Trade-in reduces purchase price subject to 6% sales tax.
Sale of vehicle to someone other than dealer and proceeds applied to sales price	Not considered a trade-in. Does not reduce purchase price for application of sales tax.
Trade-in with portion applied to purchase and portion provided as cash back to the customer	Trade-in reduces the purchase price subject to 6% Sales tax by the amount applied to purchase. The cash back portion does not reduce the sales price subject to 6% sales tax.
<u>Leased Vehicles</u> The tax is computed on the full amount of the purchase price of the leased vehicle less any trade-in deduction. Total lease price charged includes money down, capitalized cost payments and any other payments made to reduce monthly payments. Note: customer must offer title to the vehicle being traded-in to count toward trade-in exemption.	6% Sales tax to be collected with the monthly lease payment regardless of the length of the lease.
Option to buy for Residual Value	6% Sales tax on amounts paid by customer, the residual value, as well as outstanding lease payments satisfied by the dealer on behalf of the customer.
Reassignment of Lease	Exempt from both PA sales tax and PTA tax on payments remitted by the dealer after reassignment as well as the residual value.
Repair parts services, repair parts, replacement parts or lubricants purchased for vehicles which are used for leasing.	Exempt from PA sales tax.
<u>Towing Service</u>	Exempt from PA sales tax. Must list separately on service invoice. Regardless of towing supplied by third party or by dealerships.
<u>Gas Guzzler Tax</u>	When the federal gas guzzler tax is passed on to the consumer, it is considered by Revenue to be a part of the taxable purchase price subject to the 6% sales tax, regardless of whether it is separately stated.
<u>Sales for Resale</u>	Exempt from PA sales tax. The purchaser must establish that the specific property purchased is to be resold, rented or leased in the regular course of business. The purchaser must also maintain a resale certificate.
<u>Internal Repairs</u> Repairs on company owned property	6% Sales/Use tax must be paid on any parts used in the repair of company owned property. Employee wages for time spent on the repair of company owned property is exempt from PA sales tax.

(1) Both Allegheny County and Philadelphia assess a 2% sale and use tax in addition to the 6% Commonwealth of PA sales and use tax. The 2% local sales and use tax applies to all of the same transactions as the 6% sales and use tax. The sale and use of vehicles are deemed to occur at the address of the consumer. For goods and service which are not required to be licensed, the seller's place of business is where the sale is deemed to occur. Dealers are required to maintain proof of outside residency document used by the consumer that resides outside Allegheny county or the City of Philadelphia when claiming an exemption from the 1% tax on the sale of a vehicle.

(2) Sales tax on extended warranty sales may be remitted monthly by the dealer to the Department of Revenue. The sales tax should not be submitted to the Department of Transportation on its MV-1 or MV4ST forms.

(3) Ownership is required in order to receive trade-in credit; the buyer must have title plus the dealership must take the trade-in into its inventory.

**PENNSYLVANIA PUBLIC TRANSPORTATION ASSISTANCE FUND
TAXES AND FEES (PTA)
2020/2021**

<u>ITEM</u>	<u>PTA TAX/FEE^{1 2}</u>	<u>EXEMPTION</u>
<p><u>Tires</u> New tires for highway use.</p> <p>New tires included as part of a new vehicle purchase, <u>including the spare tire</u> (regardless if it is a full-size tire or a space-saver tire).</p> <p>New tires mounted on a used vehicle during reconditioning for sale.</p>	<p>\$1.00 fee upon the sale of each new tire.</p> <p>Subject to the \$1 per tire fee.</p> <p>When a dealer <u>withdraws an automobile from inventory</u> and makes a <u>taxable use</u> of the automobile for sales and use tax purposes, the dealer is required to <u>pay the tire fee due</u>.</p> <p>Subject to the \$1 per tire fee.</p>	<p>Used tires (including retreads or recaps) and tires for off highway use are not subject to the fee.</p> <p>Governmental purchases and resale are exempt.</p> <p>In a rental or lease situation the lessor is required to pay the tire fee on the purchase of tires to be rented or leased.</p> <p>The purchase of tires by a dealer to be placed on vehicles to be resold are exempt.</p>
<p><u>Rental of Motor Vehicles</u> A rental is the contract for the use of a vehicle for a period of <u>29 days or less</u>. Even though a rental exceeds 29 days, if the original intent of the transaction was a rental, it would not be considered a lease.</p>	<p>\$2.00 fee for each day or part of day for which the rental company charges the customer for the rental vehicle. (Per day/Per rental occurrence)</p> <p>The \$2.00 fee is added to the vehicle rental cost after the sales tax is charged.</p>	<p>The \$2.00 fee is only imposed on rentals subject to PA sales tax. If exempt from sales tax, then it is also exempt from the \$2.00 fee.</p> <p>Exemption includes service loaner new vehicles from a demonstrator account and vehicle loaners supplied under an extended warranty. If any payment is made for the use of the vehicle, the \$2 fee is due.</p>
<p><u>Leases of Motor Vehicles</u> A lease is the contract for the use of a vehicle for <u>30 days or more</u>.</p>	<p>3% <u>additional</u> tax is due on the full consideration of the lease including:</p> <ul style="list-style-type: none"> - bank lease acquisition fees - monthly lease payments - excess mileage charges; and - lease down payment/reduction of capitalized costs. <p>Collected with the monthly lease payment or more frequently.</p>	<p>The 3% tax is only imposed on leases subject to PA sales tax. If exempt from sales tax, then it is also exempt from the 3% tax.</p> <p>Also exempt are leased truck or truck tractors in PennDOT truck classes 4 or higher (9,001 pounds and up).</p>

¹ If the purchaser/lessee does not pay the fee/tax to the seller/lessor, the purchaser/lessee is required to pay the tax directly to the Department of Revenue.

² Neither the 6% sales tax nor the corresponding PTA fee/tax need to be included in the lease/rental price used to calculate the 6% sales tax or the PTA tax.

**PENNSYLVANIA PUBLIC TRANSPORTATION ASSISTANCE FUND
TAXES AND FEES (PTA)
2020/2021**

ITEM	PTA TAX/FEE^{3 4}	EXEMPTION
<p><u>Leases of Motor Vehicles - continued:</u></p> <ul style="list-style-type: none"> - Outstanding lease payments paid off at an early termination - Trade-in value at beginning of lease - Penalty fees for early termination - Repair or damage charges at lease end - Residual purchase price/ending option purchase price 	<p>3% tax is due.</p> <p>3% tax is <u>not</u> applied.</p> <p>3% tax is <u>not</u> applied.</p> <p>3% tax is <u>not</u> applied.</p> <p>3% tax is <u>not</u> applied.</p>	
<p><u>Vehicle Rental Tax (Also includes trucks, truck tractors and semi-trailers used in the transportation of property other than commercial freight)</u></p> <p>Companies that have available for rental five or more motor vehicles designed to carry 15 or less passengers are responsible for collecting an additional tax on the rental/purchase price of the vehicle. A rental is the contract for the use of a vehicle for a <u>period of 29 days or less</u>. Even though a rental exceeds 29 days, if the original intent of the transaction was a rental, it would not be considered a lease.</p>	<p>The VRT is separate from and in addition to any applicable state, local or Public Transportation Assistance Fund Taxes and Fees (PTA).</p> <p>The VRT Rate is 2% and is imposed on the rental/purchase price, calculated on pre-sales tax price, of each rental contract.</p>	<p>The 2% tax is only imposed on rentals subject to PA sales tax. If exempt from sales tax, then it is also exempt from the 2% tax.</p> <p>Exemption includes service loaner new vehicles from a demonstrator account and vehicle loaners supplied under an extended warranty. If any payment is made for the use of the vehicle, the 2% tax is due.</p>

³ If the purchaser/lessee does not pay the fee/tax to the seller/lessor, the purchaser/lessee is required to pay the tax directly to the Department of Revenue.

⁴ Neither the 6% sales tax nor the corresponding PTA fee/tax need to be included in the lease/rental price used to calculate the 6% sales tax or the PTA tax.