

YOU MAY NOW FILE THIS RETURN ON-LINE AT www.captax.com

See below for more information

Important note only for South Middleton Township residents: The tax return enclosed cannot be used for filing a South Middleton School District tax return with Capital Tax Collection Bureau (CTCB). Please contact one of our offices to obtain a special CTCB tax return that is specifically for filing for South Middleton School District. CTCB only collects the EIT for the South Middleton School District. CTCB is no longer the EIT collector for South Middleton Township. "Central Tax Bureau of Pa., Inc." (CENTAX) collects the Township's portion of this tax. As such, residents of South Middleton Township must file 2 separate annual local EIT tax returns; a special CTCB tax return for the School District, and a CENTAX tax return for the Township. If you are a South Middleton Township resident, and you did not receive a form for filing the Township's portion of the tax, you should contact the South Middleton Township Municipal Offices or CENTAX to obtain one. This split-collection requires special rules for apportioning tax withheld by an employer.

Dear Taxpayer(s):

Since there are different tax rates among the taxing jurisdictions we service for 2008 you must enter the appropriate tax rate in line 11 on the Form 531. Also if you moved during 2008 between different school districts in our jurisdiction where the tax rates are different, you will need to file separate returns with us for each residence where there are different tax rates. Such "multiple" returns must be filed at the same CTCB office.

Note: You can elect to have a refund directly deposited to your checking or savings account. See the expanded line 21 of Form 531 and the instructions that pertain to that line. We have also included a Schedule P in this packet. Schedule P must be completed, at least in part, if you moved during the tax year.

The form on the opposite page is your annual return for the local earned income tax (EIT). As the word "local" implies, this tax is used exclusively by your municipality (city, township, or borough) and school district. This tax is different than the federal and state individual income taxes in that it taxes only two classes of income, both of which are "Earned": 1) COMPENSATION and, 2) NET PROFITS from the operation of a business, profession or farm. Passive income items such as interest, dividends, capital gains, and rental income are not taxable.

If you are either self-employed or are employed by an employer that does not withhold the correct amount of EIT, you may be required to pay the tax quarterly to our Bureau. We make every attempt to identify those taxpayers in this category and mail them the proper payment stubs. However, if you fit in this category and you do not receive payment coupons (Forms 521) by April 1st, please contact our office and a set will be provided. Please remember, the failure of a taxpayer to receive the proper forms does not alleviate his/her responsibility for any required filings and/or payments of tax.

You can now file on-line. If you are interested in filing your return on-line please go to www.captax.com and click on the link. It is very important that you have this form with you since it contains your PIN which is needed to complete this return. This PIN is unique to a taxpayer and cannot be used for the taxpayer's spouse. Also you may only file your 2008 return on-line, any older returns must be completed manually. If you have a balance due with the on-line filing you will have options to make your remittance. This remittance is due by April 15, 2009, and will be considered late if paid after that date.