

## FAQ

**What is the Borough Business Privilege Tax and who pays it?** Pursuant to Pennsylvania statutory authority at 53 P.S. § 6924.301.1 and Borough Ordinance at Article X § 260-78 *et seq.*, a \$500 business tax is imposed on every person engaged in any business in the Borough of West Mifflin who provides a service. The money that we collect is sent to the Borough of West Mifflin. This is a once-per-year tax due by December 15 of each year.

**What is the School District Business Privilege Tax and who pays it?** Pursuant to Pennsylvania statutory authority at 53 P.S. § 6924.301.1 and West Mifflin Area School District Resolution of May 30, 1986, this is a proportional tax imposed on persons engaged in any business providing a service in the Boroughs of West Mifflin and Whitaker. The tax is paid quarterly and is based on gross revenue from services provided, including rentals. The money that we collect is sent to the West Mifflin Area School District. This tax is based on the fiscal year (July 1 through June 30) and a final return is due by August 15 of each year.

**What is Mercantile Tax and who pays it?** Pursuant to Pennsylvania statutory authority at 53 P.S. § 6924.301 and Borough Ordinance at Article IV § 260-33 *et seq.*, this is a proportional tax paid quarterly and is based on gross revenue from goods sold. “Goods” are wholesale, retail, or restaurant. The money that we collect is split between the Borough of West Mifflin and West Mifflin Area School District. This tax is based on the calendar year and a final return is due by April 15 of each year.

**Do I pay the Business Privilege Taxes *and* Mercantile Tax?** If your business provides both a service *and* sells goods, then yes, you’d pay all three. Example: a hair salon who provides hair services and sells shampoo products would pay business privilege taxes on the service aspect of the business, and mercantile tax on the revenue from the products that they sell.

**What is Local Services Tax and who pays it?** Pursuant to PA General Assembly Act 7 of 2007, Local Services Tax is paid quarterly by each employer from deductions taken from their employees’ paychecks. This tax has also been referred to as a “head tax” or “occupation tax.” It is \$52 per year, per employee. We collect the entire amount and then we split it between the borough (\$47) and the school district (\$5).

**Are there exemptions or exclusions to any of the taxes?** Yes. See each tax form or consult your accountant for any exemptions or exclusions that you may be eligible for.

**Do you collect the 1% wage tax for the residents of the Borough of West Mifflin?** No. This tax is collected by Jordan Tax Service.

**Do you send out tax forms?** In an effort to continually save the taxpayers money, we no longer send out forms. All of our tax forms are available on our website.

**Do you send reminders for when each tax is due?** No. Just like the IRS, we rely on taxpayers to self-report.

**Am I liable for these taxes even if I never knew about them?** Yes. Pennsylvania Statute 72 P.S. § 5511.7 states, “Failure to receive notice shall not relieve any taxpayer from the payment of any taxes imposed by any taxing district, and such taxpayer shall be charged with his taxes as though he had received notice.”