

Who must file a PA-40 Personal Income Tax Return?

Any PA resident, non-resident or part-year PA resident who:

- Received \$33.00 or more in PA gross taxable income, even if no tax is due; this includes minors even if claimed as a dependent on a federal return; and/or;
- Incurred a loss from any transaction as an individual, sole proprietor, partner in a partnership or PA S corporation shareholder.

What is the Reciprocal Agreement?

The Reciprocal Agreement is an agreement between two states that allows residents of one state to request exemption from tax withholding in the other (reciprocal) state on income subject to employer withholding.

This agreement **ONLY** applies to W-2 income and does not apply to 1099 income or any other class of income.

Pennsylvania has a signed agreement with 6 other states, which include Maryland, New Jersey, Ohio, Indiana, Virginia & West Virginia.

How Do I obtain a copy of my W2 and/or 1099?

Contact your former employer(s) to request copies. If unable to obtain the necessary documents or make contact with employer(s);

- Contact the IRS at 1-800-908-9946 or by visiting <https://www.irs/individuals/get-transcript> to request a "Wage & Income" transcript or;
- Contact the Social Security Administration Office.

I received W2 or 1099 income from a PA address, but I am a non-resident of PA & did not earn any PA sourced income. Why did I receive this letter?

Please call the phone number indicated on the letter and one of our agents will provide you with information & instructions for sending a letter of explanation and any other supporting documentation needed.

Will I receive a letter or certificate indicating that I am in tax compliance?

No, the Dept. of Revenue does not mail letters or certificates indicating that you are in tax compliance, but we do submit that information to the licensing agencies.

I no longer conduct business in PA, how do I go about closing my business tax accounts?

If the business was discontinued, sold or ceased operations in Pennsylvania, you may do one of the following:

- If you are registered with e-TIDES, you may close your business account(s) via the "Enterprise Maintenance" function.
- If you are not registered with e-TIDES or you simply prefer using a paper method, complete REV-1706. This form can be utilized for Sales & Use tax, Employer Withholding tax, public transportation assistance fund taxes and fees/vehicle rental tax and cigarette dealer's licenses.

I did not conduct any business during the period in question & therefore do not have any sales tax and/or employer withholding taxes to report. Do I still need to file a tax return?

Yes, all sales tax license holders must file returns for all periods regardless of whether taxable sales were made or not. All Employers with an Employer Withholding account must file returns for all periods regardless of whether wages were paid or not.

Such "zero returns" enable the department to distinguish between businesses that made no taxable sales and those that collected taxes and failed to remit them.

What if I am already working with the PA Dept. of Revenue in regards to a balance in collections?

If you are actively working with the Department of Revenue or a third party collection agency and received a letter, please contact the Business License Clearance Division. We will verify that your information is being reviewed and/or payments are being applied properly.

If you have a balance in collections with the PA Department of Revenue, you may be requested to contact your local district office. All district office locations and contact information can be found at:

www.revenue.pa.gov/GetAssistance/RegionalandDistrictOffices