

**PA SCHEDULE T**  
Gambling and Lottery Winnings

1701010058

PA-40 T 03-17 (FI)  
PA Department of Revenue

**2017**

OFFICIAL USE ONLY

**PA SCHEDULE T - Gambling and Lottery Winnings**

Name shown first on the PA-40 (if filing jointly)	Social Security Number (shown first)
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- PA residents must report all PA-taxable gambling and lottery winnings from all sources, whether receiving a federal Form W-2G or not.
  - Non-PA residents must report all PA-taxable gambling and lottery winnings from sources within Pennsylvania.
- IMPORTANT:** For both PA residents and non-PA residents, noncash prizes from playing games of the Pennsylvania Lottery are not taxable, but you must include your noncash winnings in eligibility income if claiming Tax Forgiveness on PA Schedule SP. You may deduct your cost to play games of the Pennsylvania Lottery from other winnings.
- Spouses may not use each other's costs to reduce the amount of winnings on this schedule.

		(a) Taxpayer		(b) Spouse	
1.	Enter your total winnings from all federal Forms W-2G.	1(a).		1(b).	
2.	Enter your total winnings from all other gambling, betting and lottery activities. Include cash and the fair market value or stated value of property, trips, services, etc. (except Pennsylvania Lottery noncash prizes)	2(a).		2(b).	
3.	Total Winnings. Add Lines 1 and 2.	3(a).		3(b).	
4.	Enter your total costs for tickets, bets and other wagering. Do not include any expenses (travel, meals, programs, tip sheets, etc.) you incurred to play a game of chance. You must be able to document your costs.	4(a).		4(b).	
5.	Gambling and lottery winnings. Subtract Line 4 from Line 3. If Line 4 is more than Line 3, enter zero.	5(a).		5(b).	

6. **Total Gambling and Lottery Winnings.** Add only the winnings from Line 5 of each column, and enter the total here and on Line 8 of your PA-40. .... 6.

7. Enter the total amount of any PA tax withheld from federal Forms W-2G. Enter here and include on Line 13 of your PA-40. .... 7.



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**pennsylvania**  
DEPARTMENT OF REVENUE


Pennsylvania Department of Revenue **2017**  
**Instructions for PA-40 Schedule T**  
Gambling and Lottery Winnings

PA-40 T IN 03-17

### WHAT'S NEW

Separate filing instructions for PA-40 Schedule T, Gambling and Lottery Winnings, have been developed by the department.

As a result of Act 84 of 2016, Pennsylvania-taxable gambling and lottery winnings now includes cash prize payments from the Pennsylvania Lottery. All cash prize payments paid on or after Jan. 1, 2016 by the Pennsylvania Lottery must be reported on PA-40 Schedule T. PA personal income tax withholding (included in Box 15 of federal Form W-2G, Certain Gambling Winnings, on prize payments made after July 12, 2016) should also be reported on Line 7 of PA-40 Schedule T.

 **IMPORTANT:** Cash prize payments also include the total of any federal and state tax withholding, sales tax payments or other fees paid by the Pennsylvania Lottery on behalf of a noncash prize winner that are included in the overall value of a noncash prize.

### GENERAL INFORMATION

#### PURPOSE OF SCHEDULE

Use PA-40 Schedule T to report gambling and lottery winnings as well as the costs for any gambling and lottery wagering of the taxpayer and/or spouse.

Gambling and lottery winnings from any source, except noncash prizes from playing the Pennsylvania Lottery, must be reported. Pennsylvania residents must include all gambling and lottery winnings from all sources except non-cash winnings from the Pennsylvania Lottery. Nonresidents must include all gambling and lottery winnings from Pennsylvania sources except noncash winnings from the Pennsylvania Lottery. See the PA-40IN, Personal Income Tax Return instructions booklet for additional information.

### RECORDING DOLLAR AMOUNTS

Show money amounts in whole-dollars only. Eliminate any amount less than \$0.50 and increase any amount that is \$0.50 or more to the next highest dollar.

### WHO MUST COMPLETE

PA-40 Schedule T must be completed and included with an originally filed PA-40, Personal Income Tax Return, if the taxpayer and/or spouse had income and/or losses from gambling and/or lottery wagering that is reported on Line 8 of the PA-40, Personal Income Tax Return.

An amended PA Schedule T must be included with Schedule PA-40X if increases or decreases in income or cost of tickets, bets or wagering amounts on PA Schedule T are discovered after an original or other amended return is filed with the department. Part III on Page 2 of Schedule PA-40X must be completed to explain any increase or decrease to the amount of gambling and lottery winnings reported on an amended PA-40, Personal Income Tax Return.

### SCHEDULE INSTRUCTIONS

#### IDENTIFICATION INFORMATION Name

Enter the name of the taxpayer. If a jointly filed return, enter the name of the primary taxpayer (name shown first on the PA-40, Personal Income Tax Return). Enter the primary taxpayer's name even when only reporting the gambling and lottery winnings for the spouse on a return filed using the Married, Filing Jointly filing status.

#### Social Security Number

Enter the Social Security number (SSN) of the taxpayer. Enter the primary taxpayer's SSN also when reporting only the gambling and lottery winnings for the spouse on a return filed using the Married, Filing Jointly filing status.

### LINE INSTRUCTIONS

#### LINE 1

##### Columns (a) and (b)

Enter the total amount of gambling or lottery winnings reported on federal Forms W-2G for the taxpayer and/or spouse in the appropriate column.

#### LINE 2

##### Columns (a) and (b)

Enter the amount of all other winnings from gambling, betting and lottery activities. Include the amount of cash winnings as well as the fair market value or stated value of any property, trips, services, etc. won in any contest, game show, drawing, raffle or other similar event.

#### LINE 3


##### Columns (a) and (b)

Add the amounts for Lines 1 and 2 for both columns and enter the totals.

#### LINE 4

##### Columns (a) and (b)

Enter the total cost for tickets, bets and other wagering.

 **CAUTIONS:** Do not include any expenses (travel, meals, programs, tip sheets, etc.) incurred to play a game of chance. Costs of tickets for any game sponsored by or supporting the Pennsylvania Lottery purchased prior to Jan. 1, 2016 are not permitted to be included in this amount.

**TIP** Taxpayers must be able to document all ticket costs, bets and other wagering. Keep records, receipts, and any other documentation supporting these costs.

### LINE 5

#### Columns (a) and (b)

Subtract Line 4 from Line 3 for both columns and enter the results.

### LINE 6

Add only positive amounts or winnings from Columns (a) and/or (b) for Line 5

and enter the total here and on Line 8 of the PA-40, Personal Income Tax Return.

**TIP** If there are no net winnings, enter a zero here and on Line 8 of the PA-40, Personal Income Tax Return.

### LINE 7

Enter the total amount of PA tax withheld from federal Forms W-2G. Enter here and include the amount of the withholding in the amount reported on Line 13 of the PA-40, Personal Income Tax Return.

**IMPORTANT:** A copy of federal Form(s) W-2G reporting withholding must be included with the PA-40, Personal Income Tax Return.