§ 142.1. Tax and imposition.

(a) The school district personal income tax is a tax at the rate prescribed in § 142.2 (relating to tax rate) levied on the income as described in subsection (b) that a resident individual receives during the resident individual’s taxable year. A taxpayer who is a resident individual of more than one school district that imposes a school district personal income tax during the taxpayer’s taxable year is subject to the school district personal income tax of each school district.

(b) A taxpayer’s income subject to tax under subsection (a) is the taxpayer’s adjusted Pennsylvania taxable personal income, subject to the provisions of subsection (c).

(c) The income subject to tax of a taxpayer who is a resident individual of a school district for only a portion of the taxpayer’s taxable year shall be an amount equal to the taxpayer’s adjusted Pennsylvania taxable personal income multiplied by a fraction the numerator of which is the number of calendar months during the taxable year that the individual is a resident individual of the school district and the denominator of which shall be 12. A taxpayer shall include in the numerator any calendar month during which the taxpayer is a resident individual for more than half the calendar month. A day that a taxpayer’s domicile changes shall be included as a day the individual is in the new domicile and not the old domicile. If the number of days that a taxpayer is a resident of the new domicile and a resident of the old domicile in a calendar month are equal, the calendar month shall be included in calculating the number of months in the new domicile.

Example 1. A calendar year taxpayer changes domicile from one Commonwealth school district to another on September 20th. September is a month during the calendar year containing 30 days. Because the taxpayer changed domicile on the 20th day of the calendar month, the day is included as a day in the new domicile instead of the old domicile. Therefore, taxpayer was domiciled in the old domicile for 19 days and the new domicile for 11 days. Because the taxpayer was in the old domicile for more than half the month of September, the taxpayer is considered a resident individual of the old domicile during September. For purposes of calculating the fraction numerator, taxpayer is a resident individual of the old domicile from January to September (9 months) and the new domicile from October to December (3 months).

Example 2. The facts in this example are the same as Example 1, except the taxpayer changes his domicile on September 16. Because September 16 is included as a day in the new domicile, the taxpayer was a resident indi-
individual for 15 days in both the old and new domicile during September. Therefore, September is included as a calendar month in the new domicile. For purposes of calculating the fraction numerator, taxpayer is a resident individual of the old domicile from January to August (8 months) and the new domicile from September to December (4 months).

Cross References
This section cited in 61 Pa. Code § 142.2 (relating to tax rate); and 61 Pa. Code § 145.3 (relating to form).

§ 142.2. Tax rate.
(a) The board shall establish for its fiscal year the school district personal income tax rate under the provisions of and subject to the limitations contained in the act.

(b) If the tax rate changes during a taxpayer’s taxable year, the taxpayer’s income subject to tax as determined under § 142.1 (relating to tax and imposition) shall be apportioned by multiplying the income by a fraction, the numerator of which must be the number of months in taxpayer’s taxable year prior to the effective date of the tax rate change and the denominator of which must be the number of month’s in the taxpayer’s taxable year. The product must be the taxpayer’s income subject to the tax rate before the rate change. The difference between the product and the taxpayer’s income subject to tax as determined under § 142.1 must be the income subject to the tax rate after the rate change.

Cross References
This section cited in 61 Pa. Code § 142.1 (relating to tax and imposition); and § 145.3 (relating to form).