CHAPTER 144. TAX CREDITS

Sec.
144.1. Payment of tax to other political subdivisions or states.
144.2. Poverty credit.
144.3. Employer withholding credit

Cross References
This chapter cited in 61 Pa. Code § 145.3 (relating to form).

§ 144.1. Payment of tax to other political subdivisions or states.
(a) A taxpayer is entitled to a credit against the school district personal income tax as prescribed under section 14 of The Local Tax Enabling Act (53 P.S. § 6914), regarding payment of tax to other political subdivisions or states as credit or deduction and withholding tax.
(b) Notwithstanding subsection (a), a taxpayer will not be allowed a credit against the school district personal income tax for any tax imposed by any state or political subdivision located outside this Commonwealth.

§ 144.2. Poverty credit.
A taxpayer may claim the same percentage of tax forgiveness that a taxpayer is entitled to claim as a credit against the Pennsylvania Personal Income Tax liability as provided for under section 304 of the TRC (72 P.S. § 7304) against the school district personal income tax.

Example. If a taxpayer is eligible to claim 90% tax forgiveness of his Pennsylvania Personal Income Tax, the taxpayer is eligible to claim 90% tax forgiveness against his school district personal income tax.

§ 144.3. Employer withholding credit.
Any amount actually withheld under § 143.5 (relating to employer withholding) shall be allowed to the recipient of the compensation subject to withholding as a credit against the school district personal income tax liability for the taxable year in which the withholding is made.