

Albert Einstein is famously quoted as saying:

"The hardest thing in the world to understand is the income tax"

PRESENTATION WILL BE AVAILABLE  
IN INFORMATION CENTRAL

<https://resident.willowvalley.org/cclub/>

PREPARING FOR  
TAX DAY  
APR. 15, 2026

Gary Staton

WILLOW VALLEY RESIDENT

AARP FOUNDATION TAXAIDE COUNSELOR

# TAX DAY APR. 15, 2026

- THE WILLOW VALLEY VOLUNTEER TAX SERVICE CAN PREPARE AND E-FILE FEDERAL AND PA STATE RETURNS FOR MOST RESIDENTS AND TEAM MEMBERS AT NO CHARGE.
- WILL WE BE ABLE TO PREPARE YOUR TAXES? – PROBABLY YES. QUESTIONS? CALL STEVE WRIGHT 301-366-2027 OR GARY STATON 717-464-7856
- TAXES DONE AT LAKES MANOR, SPRING RUN, MR AND NORTH
- “DROP-OFF” AND “FACE TO FACE” APPOINTMENTS ARE AVAILABLE FOR US TO PREPARE YOUR TAXES:

# TAX DAY APR. 15, 2026

- YOU WILL NEED TO GET A PACKET OF FORMS THAT NEED TO BE FILLED OUT AHEAD OF TIME.
  - YOU CAN PICK UP A PACKET AT ANY OF THE CONCIERGE DESKS.
  - THE PACKET INCLUDES INSTRUCTIONS FOR MAKING YOUR APPOINTMENT ONLINE AT THE AARP WEBSITE.
  - APPOINTMENTS BY PHONE AND E-MAIL ARE AVAILABLE
    - DETAILS ARE IN THE PACKET

# TAX DAY APR. 15, 2026

- DEMO:

- Send an E-mail message to [WVTaxAppt@gmail.com](mailto:WVTaxAppt@gmail.com)
  - Put **Appointment** in the Subject line
  - Include your **name** in the body of the message and send it.
- You will receive a reply shortly with the links to the secure, official AARP website for making your appointment along with instructions.
- If you can, print a copy of this E-mail. Do not delete it.
- After you have registered will receive an E-mail confirmation and reminders close to your appointment date.

# TAX DAY APR. 15, 2026

- MISCONCEPTION THAT OUR SERVICE HAS SOME MAXIMUM INCOME LIMITATION THIS IS NOT CORRECT.
- HOWEVER, INCOME LEVEL IN COMBINATION WITH ADDITION ELEMENTS MAY MAKE THE RETURN OUT OF SCOPE FOR US.
- FOR EXAMPLE
  - MFJ
  - AGI \$250,001
  - AND TAXABLE INTEREST, OR TAXABLE DIVIDENDS, OR NET CAPITAL GAINS, ETC.
  - FORM 8960 (NIIT) IS REQUIRED
  - FORM 8960 IS OUT OF SCOPE FOR US

# 2025 NEW FED TAX FORMS AND CHANGES

- FORM 1040 HAS SOME ADDITIONAL FIELDS OR CHECKBOXES
- NEW SCHEDULE 1-A SHOWS CERTAIN NEW DEDUCTIONS THAT ARE ALLOWED IN ADDITION TO ITEMIZED DEDUCTIONS OR THE STANDARD DEDUCTION.
- FORM 1098-VLI, VEHICLE LOAN INTEREST STATEMENT
- FORM 1099-R NEW BOX 7 CODE “Y” IS USED WITH CODE 4 OR 7 TO INDICATE A QUALIFIED CHARITABLE DISTRIBUTION. USE OF CODE Y IS OPTIONAL.

# 2025 NEW DEDUCTIONS SHOWN ON SCH 1-A

- UP TO \$6000 FOR SENIORS
- CAR LOAN INTEREST UP TO \$10000
- TIP INCOME UP TO \$25000 PER RETURN
- OVERTIME INCOME UP TO \$12500 (\$25000 MFJ)
- AVAILABLE 2025 – 2028 TAX YEARS

# 2025 NEW DEDUCTIONS

- DO NOT IMPACT AGI
- NONREFUNDABLE
- NOT AVAILABLE TO MFS (EXCEPT FOR CAR LOAN INTEREST)
- MAXIMUM AMOUNTS AND PHASE OUT INCOME APPLY
- ADDED TO ITEMIZED OR STANDARD DEDUCTIONS

# UP TO \$6000 FOR SENIORS

- MUST BE OVER 65 IN 2025
- MFJ UP TO \$12000
- UNRELATED TO SOCIAL SECURITY INCOME
- DEDUCTION REDUCED:
  - \$75000, \$150000 (MFJ)
- DEDUCTION REDUCED TO ZERO
  - \$175000, \$250000 (MFJ)

# CAR LOAN INTEREST UP TO \$10000

- LOAN ORIGINATED AFTER 12-31-2024
- FINAL ASSEMBLY IN THE US
- GVWR UNDER 14000 LBS
- MUST ENTER VIN ON TAX RETURN
- DEDUCTION REDUCED:
  - \$100000, \$200000 (MFJ)
- DEDUCTION REDUCED TO ZERO
  - \$150000, \$250000 (MFJ)

# TIP INCOME: UP TO \$25000 PER RETURN

- MUST CUSTOMARILY RECEIVE TIPS
- DEDUCTION REDUCED:
  - \$150000, \$300000 (MFJ)
- DEDUCTION REDUCED TO ZERO
  - \$400000, \$550000 (MFJ)

# OVERTIME INCOME UP TO \$12500; \$25000 (MFJ)

- NON-EMEMPT WORKER
- APPLIES ONLY TO THE “HALF” PORTION OF TIME AND A HALF PAY
  - EX: OVERTIME PAY \$6000, DEDUCTION \$2000
- DEDUCTION REDUCED:
  - \$150000, \$300000 (MFJ)
- DEDUCTION REDUCED TO ZERO
  - \$275000, \$550000 (MFJ)

# NO TAX ON SOCIAL SECURITY?

- NOPE
- FEDERAL TAXABLE SOCIAL SECURITY (SS) BENEFITS STILL DEPENDS ON YOUR "COMBINED INCOME" (AGI + NON-TAXABLE INTEREST + HALF YOUR SS)
  - Below \$25,000 (Single) / \$32,000 (Joint): No SS benefits taxed.
  - \$25,000 - \$34,000 (Single) / \$32,000 - \$44,000 (MFJ): Up to 50% taxed.
  - Above \$34,000 (Single) / \$44,000 (MFJ): Up to 85% taxed

# DO I HAVE TO FILE?

(NOTE:FILING REQ FOR DEPENDENTS MAY BE DIFFERENT)

- YES, IF

FILING STATUS	AGE AS OF DEC. 31, 2025	FILE IF GROSS INCOME WAS AT LEAST..
SINGLE	UNDER 65/ 65 AND OVER	15750 / 17750
MFJ	UNDER 65 (BOTH)	31500
	ONE SPOUSE 65 OR OLDER	33100
	BOTH 65 OR OLDER	34700
MFS	ANY AGE	5
HOH	UNDER 65/ 65 AND OLDER	23625 / 25625
QUALIFYING SURVING SPOUSE	UNDER 65 / 65 OR OLDER	31500 / 33100

# DO I HAVE TO FILE?

- YES, IF
  - ALTERNATIVE MINIMUM TAX OWED
  - HSA DISTRIBUTIONS RECEIVED
  - SELF EMPLOYMENT NET EARNINGS OF AT LEAST \$400
  - WAGES OF MORE THAN \$108.28 FROM A CHURCH CONTROLLED ORGANIZATION EXEMPT FROM EMPLOYER SOC SEC AND MEDICARE TAXES
  - ADVANCE PAYMENTS OF THE PREMIUM TAX CREDIT
  - SOME OTHERS

# SHOULD I FILE?

- INCOME TAX WITHHELD (AND YOU WANT A REFUND)
- MADE ESTIMATED PAYMENTS (AND YOU WANT A REFUND)
- HELP PREVENT IDENTITY THEFT
- IF YOU WAIT TOO LONG TO FILE A RETURN OR OTHERWISE CLAIM A REFUND, YOU RISK LOSING YOUR REFUND ALTOGETHER.
  - IN MOST CASES, AN ORIGINAL RETURN CLAIMING A REFUND MUST BE FILED WITHIN THREE YEARS OF ITS DUE DATE FOR THE IRS TO ISSUE A REFUND.
  - GENERALLY, AFTER THE THREE-YEAR WINDOW CLOSES, THE IRS CAN NEITHER SEND A REFUND FOR THE SPECIFIC TAX YEAR NOR APPLY ANY CREDITS (BUT THERE ARE A FEW EXCEPTIONS)

# WHAT INCOME IS TAXABLE?

- ALL INCOME EXCEPT THAT SPECIFICALLY EXCLUDED SUCH AS
  - GIFTS AND INHERITANCES
  - LIFE INSURANCE PAYOUTS
  - INTEREST ON CERTAIN STATE OR LOCAL GOVERNMENT OBLIGATIONS
  - CHILD SUPPORT AND ALIMONY (DIVORCE AGREEMENTS AFTER 2018)
  - QUALIFIED ROTH IRA DISTRIBUTIONS
  - OTHERS

# WHAT INCOME IS TAXABLE?

- HOW DO I KEEP TRACK OF MY TAXABLE INCOME?
  - W-2
  - 1099 FORMS
  - INCOME UNDER AMOUNT REQUIRING A FORM 1099 STILL NEEDS TO BE REPORTED
  - ETC
- A PORTION OF YOUR SOCIAL SECURITY INCOME MAY BE TAXABLE
  - UP TO 85% BASED ON THE COMBINED INCOME
  - Your adjusted gross income
    - + Nontaxable interest
    - + ½ of your Social Security benefits
    - = Your "***combined income***"

# I DIDN'T GET A TAX FORM

- DON'T IGNORE IT – GET THE FORM (IRS GOT IT)
- SSA-1099:
  - GET A REPLACEMENT ONLINE USING YOUR [MY SOCIAL SECURITY ACCOUNT](#). SIGN IN AND CLICK THE LINK FOR REPLACEMENT DOCUMENTS. YOU'LL BE ABLE TO ACCESS YOUR FORM AND SAVE A PRINTABLE COPY.
  - IF NO “MY SOCIAL SECURITY” ACCOUNT, YOU CAN SET IT UP ONLINE (SSA.GOV) OR CALL SOCIAL SECURITY AT 800-772-1213 OR VISIT YOUR [LOCAL OFFICE](#) TO REQUEST A NEW SSA-1099 (APPOINTMENTS RECOMMENDED)

# I DIDN'T GET A TAX FORM

- DON'T IGNORE IT – GET THE FORM (IRS GOT IT)
  - W-2; 1099:
    - CONTACT YOUR EMPLOYER OR PAYER
    - CONTACT IRS FOR ASSISTANCE

MAY NEED TO MAKE ESTIMATE BUT, PAY TAXES BY DUE DATE (APR.15)

- REQUEST AUTOMATIC 6 MO. EXTENSION TO FILE RETURN OR
- FILE 1040-X IF NEEDED

# ITEMIZED DEDUCTIONS AND CREDITS

# ITEMIZED DEDUCTIONS

- MEDICAL AND DENTAL EXPENSES
- STATE AND LOCAL TAXES (SALT)
- HOME MORTGAGE INTEREST AND POINTS
- CHARITABLE DONATIONS
- CASUALTY AND THEFT LOSSES
- OTHER SUCH AS GAMBLING LOSSES TO THE EXTENT OF GAMBLING WINNINGS

# MEDICAL DEDUCTIONS

- MEDICAL AND DENTAL INSURANCE
- QUALIFIED LTC CONTRACT PREMIUMS
  - AMOUNT DEDUCTIBLE FOR EACH PERSON IS LIMITED BASED ON AGE
- CO-PAYS AND OTHER OUT OF POCKET (UNREIMBURSED) EXPENSES
- CERTAIN CAPITAL EXPENSES FOR HOME IMPROVEMENTS NEEDED FOR MEDICAL CARE
- MILEAGE AND TRANSPORTATION
  - MILEAGE: \$0.21/MILE
- OTHER UN-REIMBURSED MEDICAL EXPENSES

# MEDICAL DEDUCTIONS

- NUTRITIONAL SUPPLEMENTS **IF RECOMMENDED** BY A MEDICAL PROFESSIONAL AS A TREATMENT FOR A **SPECIFIC MEDICAL CONDITION** DIAGNOSED BY A PHYSICIAN
- PART OF THE LIFE-CARE FEE PAID TO A RETIREMENT HOME DESIGNATED FOR MEDICAL CARE (LIFE CARE ADVANCE PAYMENTS)

# WILLOW VALLEY MEDICAL DEDUCTION

- PORTION OF THE ENTRANCE FEE
- PORTION OF THE MONTHLY FEE
- LETTER PROVIDED EACH YEAR WITH DETAILS

# TAXES YOU HAVE PAID

- STATE AND LOCAL TAXES
  - LIMITED TO \$40,000
  - STATE SALES TAX DEDUCTION MAY BE GREATER THAN STATE AND LOCAL INCOME TAX DEDUCTION.
    - ENSURE THIS IS CHECKED
- STATE ESTIMATED TAX PAYMENTS
  - ONLY ESTIMATED PAYMENTS MADE IN THE CURRENT TAX YEAR ARE DEDUCTIBLE THAT YEAR
- REAL ESTATE TAXES
- PERSONAL PROPERTY TAXES

# STATE SALES TAX DEDUCTION

- USE IRS SALES TAX DEDUCTION CALCULATOR OR TAX PREPARATION SOFTWARE. START WITH AGI AND ADD IN:
  - TAX EXEMPT INTEREST
  - VETERANS BENEFITS
  - NONTAXABLE PART OF SOCIAL SECURITY AND RAILROAD RETIREMENT BENEFITS
  - NONTAXABLE PART OF IRA, PENSION, OR ANNUITY DISTRIBUTIONS
    - DO NOT INCLUDE ROLLOVERS
  - OTHER NONTAXABLE INCOME (EX. LIFE INSURANCE PROCEEDS)
- ADD ANY SALES TAX PAID ON LARGE TICKET ITEMS (AUTO, BOAT, ETC) TO GET THE SALES TAX DEDUCTION

# CREDITS

- REFUNDABLE OR NONREFUNDABLE
- NONREFUNDABLE CREDIT
  - REDUCES TAX LIABILITY DOLLAR FOR DOLLAR
  - TAXPAYER BENEFITS ONLY IF THERE IS A TAX LIABILITY
    - NONREFUNDABLE CREDITS CAN REDUCE TAX LIABILITY TO “0” BUT NO LOWER
- EXAMPLES OF NONREFUNDABLE CREDITS
  - CHILD AND DEPENDENT CARE CREDIT
  - ENERGY EFFICIENT HOME IMPROVEMENT CREDIT

# CREDITS

- REFUNDABLE OR NONREFUNDABLE
- REFUNDABLE CREDIT
  - CAN REDUCE TAX LIABILITY TO BELOW “0”
  - ENTERED IN PAYMENT SECTION
  - CAN GENERATE A REFUND EVEN IF NO TAX LIABILITY
- EXAMPLES OF REFUNDABLE CREDITS
  - FEDERAL WITHHOLDING
  - FEDERAL ESTIMATED TAX PAYMENTS
  - EARNED INCOME TAX CREDIT

QCD

QUALIFIED CHARITABLE DISTRIBUTION

OR

PERHAPS HOW TO AVOID PAYING TAXES ON YOUR RMD  
(OR PART OF YOUR RMD)

# QCD

- WHO CAN MAKE A QCD
  - TAXPAYERS 70 ½ OR OLDER
  - HAVE TRADITIONAL IRA (NOT 401K, 403B, ETC)
- QCD LIMITED TO \$108,000
- DISTRIBUTIONS FROM THE IRA ARE NOT TAXABLE
- DISTRIBUTIONS ARE NOT INCLUDED IN THE AGI
- CONTACT IRA TRUSTEE
  - DISTRIBUTION MUST BE FROM IRA TO CHARITY

# QCD

- YOU CAN MAKE A QCD TO MULTIPLE CHARITIES UP TO QCD LIMIT IN TOTAL
- THE CHARITY MUST BE QUALIFIED (501 C 3 ORGANIZATION)
- QCD'S CANNOT BE MADE TO DONOR-ADVISED FUNDS, PRIVATE FOUNDATIONS, SUPPORTING ORGANIZATIONS AND OTHER GRANT-MAKING ORGANIZATIONS
- MUST OBTAIN A LETTER FROM THE CHARITY SUBSTANTIATING THE GIFT AND STATING "NOTHING" WAS RECEIVED IN RETURN

# WILLOW VALLEY

- QCD'S CAN BE GIVEN TO WILLOW VALLEY COMMUNITIES
- FOR ADDITIONAL INFORMATION CONTACT
  - A FOUNDATION TEAM MEMBER 717-517-3901
  - <https://foundation.willowvalleycommunities.org/meet-with-the-foundation/>

# COMING ATTRACTIONS 2026 FILING SEASON

- CHARITABLE CONTRIBUTION DEDUCTION. UP TO \$1,000 (\$2,000 MFJ) FOR NON-ITEMIZERS.
- ITEMIZED DEDUCTIONS PMI CAN BE DEDUCTED.
- THERE WILL BE A NEW EDUCATOR EXPENSE.
- A 0.5% ADJUSTED GROSS INCOME (AGI) FLOOR FOR ITEMIZERS (ONLY DONATIONS ABOVE THIS AMOUNT ARE DEDUCTIBLE)

# PA TAXES

PA-40 INDIVIDUAL INCOME TAX RETURN

# PA TAX LAW CHANGES

- PROPERTY TAX / RENT REBATE (PTRR)
  - MAXIMUM QUALIFYING INCOME INCREASED TO \$48110 FOR BOTH RENTERS AND PROPERTY OWNERS
- WORKING PENNSYLVANIANS TAX CREDIT (WPTC)
  - PA EITC – UP TO \$805 (10% OF FED CREDIT)
- PA STUDENT LOAN INTEREST DEDUCTION – UP TO \$2500
- REQUIREMENT FOR MAKING ESTIMATED TAX PAYMENTS HAS INCREASED FROM \$9,500 TO \$11,000 FOR 2025 (\$14,000 FOR 2026)
  - PA TAXABLE INCOME NOT SUBJECT TO EMPLOYER WITHHOLDING

# WORKING PENNSYLVANIANS TAX CREDIT (WPTC)

- YOU MAY QUALIFY IF YOU:
  - HAVE EARNED INCOME IN PENNSYLVANIA (WAGES, SALARY, AND/OR SELF-EMPLOYMENT INCOME)
  - QUALIFY FOR THE FEDERAL EITC
  - FILE BOTH YOUR FEDERAL FORM 1040 AND PA-40 STATE TAX RETURN
  - IF YOU RECEIVE THE FEDERAL EITC, YOU AUTOMATICALLY QUALIFY FOR THE WPTC.

# WORKING PENNSYLVANIANS TAX CREDIT (WPTC)

- HOW TO CLAIM THE WORKING PENNSYLVANIANS TAX CREDIT
  - FILE YOUR FEDERAL FORM 1040 AND CLAIM THE EITC.
  - FILE YOUR PA-40. YOUR TAX SOFTWARE MAY PROMPT YOU TO ENTER YOUR FEDERAL EITC AMOUNT.
  - THE PA DOR WILL AUTOMATICALLY CALCULATE YOUR WPTC AND APPLY IT TO REDUCE YOUR PA TAXES OR INCREASE YOUR REFUND AND WILL CONTACT YOU IF NEEDED.
- THE DEPARTMENT OF REVENUE MUST RECEIVE A COPY OF YOUR FEDERAL FORM 1040 TO CALCULATE YOUR CREDIT AUTOMATICALLY.
- THIS IS A REFUNDABLE TAX CREDIT, MEANING YOU CAN RECEIVE IT EVEN IF YOU DON'T OWE PENNSYLVANIA INCOME TAX.

## FILE YOUR PA PERSONAL INCOME TAX RETURN ONLINE FOR FREE WITH myPATH

DPO-86 10-20

# myPATH | PENNSYLVANIA TAX HUB

## Offering a New Way to File Your PA Personal Income Tax Return



Taxpayers now have the option to file their Pennsylvania personal income tax returns for free through **myPATH**. Visit [mypath.pa.gov](https://mypath.pa.gov) to access the new system, which also allows taxpayers to make payments, view notices, find answers to frequently asked questions and speak with a virtual assistant through an online chat. You can also visit the department's website, [www.revenue.pa.gov](https://www.revenue.pa.gov), to find other information on filing your personal income tax return.

- Features **myPATH** offers to Pennsylvania Personal Income Tax filers include:
  - » Fast and free return/refund processing
  - » The "Where's My Refund?" system to track the status of a refund
  - » Instant confirmation of a successful filing
  - » The benefit of error-reducing automatic calculators
  - » User-friendly options that are not available to taxpayers filing by paper
  - » Options to make annual and estimate payments
  - » The ability to submit documentation online in response to correspondence from the department
- Features **myPATH** offers to all filers include:
  - » The ability to view a detailed Statement of Account for personal income tax
  - » Verifying 1099 amounts, changing 1099 delivery preferences and viewing complete 1099s



**NOTE:** Starting in 2021, **myPATH** will replace the Pennsylvania Department of Revenue's prior personal income tax filing system, **padirectfile**.

Visit [mypath.pa.gov](https://mypath.pa.gov) to access the myPATH system, or visit the department's website, [www.revenue.pa.gov](https://www.revenue.pa.gov), to find other information on filing your personal income tax return. 📌

continued on next page

# OVERVIEW

- FLAT 3.07% INDIVIDUAL INCOME TAX RATE
- “NORMAL” RETIREMENT INCOME NOT TAXED
- PA TAXES 8 CLASSES OF INCOME
- A LOSS IN ONE CLASS OF INCOME MAY NOT BE OFFSET AGAINST INCOME IN ANOTHER CLASS
- FOR A JOINT RETURN, A LOSS BY THE TAXPAYER MAY NOT OFFSET THE INCOME OF THE SPOUSE (AND VICE VERSA)
- NO STANDARD DEDUCTION OR PERSONAL EXEMPTION

# 8 CLASSES OF INCOME

- COMPENSATION
- INTEREST
- DIVIDENDS AND CAPITAL GAINS
- NET PROFITS FROM OPERATION OF A BUSINESS, PROFESSION OR FARM
- INCOME FROM THE DISPOSITION OF PROPERTY
- INCOME FROM RENTS, ROYALTIES, PATENTS AND COPYRIGHTS
- INCOME FROM ESTATES OR TRUSTS
- GAMBLING AND LOTTERY WINNINGS

# INCOME FROM THE DISPOSITION OF PROPERTY

- THIS INCLUDES GAIN FROM THE SALE OR DISPOSITION OF REAL ESTATE, TANGIBLE PERSONAL PROPERTY, INTANGIBLE PERSONAL PROPERTY AND INVESTMENTS, SUCH AS STOCK OR OTHER OWNERSHIP INTERESTS IN BUSINESS ENTERPRISES, BONDS, ANNUITIES.....
- THERE ARE NO PROVISIONS FOR LONG-TERM AND SHORT-TERM GAINS.
- LOSSES ARE RECOGNIZED ONLY IN THE YEAR IN WHICH THEY OCCUR

# PA ESTIMATED TAX PAYMENTS

- FOR 2025, ANY INDIVIDUAL WHO RECEIVED MORE THAN **\$11,000** OF PA INCOME NOT SUBJECT TO WITHHOLDING BY AN EMPLOYER WAS REQUIRED TO ESTIMATE AND PAY PERSONAL INCOME TAX QUARTERLY
- ESTIMATED TAX PAYMENTS CAN BE MADE BY PHONE, MAIL, OR ONLINE AT <https://www.mypath.pa.gov/>
- UNDERPAYMENT OF ESTIMATED TAX IS SUBJECT TO A PENALTY IF TAXES DUE ON PA-40 IS GREATER THAN \$338

# PA ESTIMATED TAX PAYMENTS

- SAFE HARBOR
  - FOR EACH INSTALLMENT PERIOD, YOUR TIMELY ESTIMATED PAYMENT, WITHHOLDING AND CREDITS TOTAL AT LEAST 90 PERCENT OF THE ACTUAL TAX DUE ON THE INCOME EARNED OR RECEIVED IN EACH INSTALLMENT PERIOD OR;
  - YOUR TOTAL TIMELY ESTIMATED PAYMENTS AND CREDITS ARE AT LEAST EQUAL TO AN AMOUNT CALCULATED USING THE CURRENT YEAR'S TAX RATE AND THE INCOME SHOWN ON THE PRIOR YEAR'S ANNUAL PA INCOME TAX RETURN

# PA USE TAX

- THIS IS THE EQUIVALENT OF SALES TAX FOR PURCHASES MADE OVER THE INTERNET, THROUGH TOLL-FREE NUMBERS, FROM MAIL ORDER CATALOGS, AND FROM OUT-OF-STATE LOCATIONS, OR ANY OTHER OCCASION WHERE THE APPROPRIATE SALES TAX WAS NOT CHARGED AND COLLECTED BY THE SELLER ON PA TAXABLE ITEMS. THE USE TAX RATE IS THE SAME AS THE SALES TAX RATE FOR THE RESIDENCY OF THE TAXPAYER.
- IF THE USE TAX IS NOT COLLECTED BY THE SELLER, YOU COULD RECEIVE A BILL FROM PA.

# PA USE TAX

- **EXAMPLES OF TAXABLE ITEMS INCLUDE:**
  - ANTIQUES, PAINTINGS, APPLIANCES, BOOKS, DIGITAL PRODUCTS, STATIONERY, COMPUTERS, EXERCISE EQUIPMENT, SPORTS EQUIPMENT, FORMAL CLOTHING, FURNITURE, FURNISHINGS, JEWELRY, LUGGAGE, HANDBAGS, MUSICAL INSTRUMENTS, OFFICE EQUIPMENT, SOUVENIRS, TELEVISIONS, RADIOS, STEREO EQUIPMENT, VIDEO EQUIPMENT AND CAMERA EQUIPMENT.
- **EXAMPLES OF TAXABLE SERVICES INCLUDE:**
  - LAWN CARE, PEST CONTROL, SELF-STORAGE, BUILDING CLEANING AND MAINTENANCE SERVICES SUCH AS HOUSEKEEPING SERVICES.

# DEDUCTIONS ALLOWED FOR PA TAX PURPOSES

- STUDENT LOAN INTEREST UP TO \$2500
- MEDICAL SAVINGS ACCOUNT CONTRIBUTIONS
- HEALTH SAVINGS ACCOUNT CONTRIBUTIONS
- IRC SECTION 529 QUALIFIED TUITION PROGRAM CONTRIBUTIONS
- IRC SECTION 529A PENNSYLVANIA ABLE SAVINGS ACCOUNT PROGRAM CONTRIBUTIONS
- REPORT USING PA SCHEDULE O

# PA INHERITANCE TAX

<https://www.revenue.pa.gov/TaxTypes/InheritanceTax/Pages/default.aspx>

# VOLUNTEER TAX SERVICE OPPORTUNITIES

- CLIENT FACILITATOR - FIRST POINT OF CONTACT WITH TAXPAYER
  - ENSURE THAT TAXPAYERS HAVE CORRECT FORMS, DOCUMENTS, AND PERSONAL IDENTIFICATION REQUIRED
    - ASSIST TAXPAYER IN ORGANIZING THEIR DOCUMENTS
    - ASSIST TAXPAYERS IN FILLING OUT PORTIONS OF THE INTAKE BOOKLET.
- DOES NOT ANSWER ANY TAX LAW QUESTIONS, INVOLVE THEMSELVES IN TAX PREPARATION WITH TAXPAYER, GIVE TAX ADVICE TO TAXPAYERS

# VOLUNTEER TAX SERVICE OPPORTUNITIES

- SCHEDULER – ASSISTS RESIDENTS AND TEAM MEMBERS IN MAKING APPOINTMENTS AND SENDING OUT MATERIALS
- COUNSELOR - PREPARES FEDERAL AND PA TAX RETURNS FOR THE TAXPAYERS
- LOCAL COORDINATOR - IMPLEMENTS PROGRAM PLANS AND ENSURES SITE COMPLIANCE WITH AARP FOUNDATION TAX-AIDE PROGRAM POLICIES AND IRS QUALITY SITE REQUIREMENTS

IF INTERESTED IN LEARNING MORE ABOUT BEING A  
WILLOW VALLEY TAX SERVICE PROGRAM VOLUNTEER  
CONTACT:

DAN STEINBACHER - 717-715-4148

STEVE WRIGHT – 717-690-0906

GARY STATON – 717-464-7856



QUESTIONS?