

INSTRUCTIONS FOR COMPLETING OCCUPATION PRIVILEGE TAX RETURNS

1. The Occupation Privilege Tax is assessed at the rate of \$10.00 per year on everyone who **works** in Loyalsock Township School District. This includes both employed and self-employed individuals, including professionals such as doctors, lawyers, clergy, etc., and the owners or officers of the business or corporation.
2. Returns are due quarterly on the following dates:
 - **April 30** – payment for current employees and new employees hired between January 1 and March 31
 - **July 31** – payment for new employees hired between April 1 and June 30
 - **October 31** – payment for new employees hired between July 1 and September 30
 - **January 31** – payment for new employees hired between October 1 and December 31 of the previous calendar year
3. A discount of 2% of the gross amount of tax will be allowed if the returns are filed on or before the due dates. On returns filed after the due dates, the discount cannot be taken, a penalty of 10% is added, and interest due is calculated at the rate of ½% per month.
4. When submitting your quarterly returns, please check the forms for completeness, seeing that the number of OP2 forms attached is equal to the number of employees entered on line 1, that the form has been signed and dated, and that the check equals the amount on line 7.
5. If an employee has previously paid the \$10.00 tax during the current year (either in Loyalsock or elsewhere), and can produce a receipt to this effect, the tax should not be collected from him/her.
6. Other than the exception of employees who have previously paid through other employment, the tax must be collected from all employees, regardless of their earnings. If at the end of the year, an employee has earned an aggregate of less than \$1,000.00, he/she may apply through the tax office for a refund.