

**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.

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