



Welcome to the City of Pittsburgh and thank you for participating in this event. Following is an explanation of the possible tax liabilities related to this event.

All individuals or businesses that engage in a special event, in any kind of business, within the City of Pittsburgh please note: Pittsburgh has a \$52.00 Local Services Tax. The \$52.00 will be deducted over the length of time spent in Pittsburgh. The Local Services Tax is no more than **\$52.00 per year** in Pennsylvania.

Low Income Exemption: If the total earned income and/ or net profits from within Pittsburgh are less than \$12,000 for the year, then the Local Services Tax would be zero for that person.

Example: An individual works at a special event in Pittsburgh. How is the Local Services Tax allocated for a transient individual who does not pay the Local Services Tax to another community in Pennsylvania?

**Answer:** If the individual expects to earn \$12,000 or more for the time spent in the City of Pittsburgh then that individual would owe \$52.00 deducted over the length of time spent in Pittsburgh. If the individual earns under \$12,000 then the liability would be zero. See Local Service Tax Regulations at [www.city.pittsburgh.pa.us/finance](http://www.city.pittsburgh.pa.us/finance)

**Payroll Expense Tax** Every employer doing business in the City of Pittsburgh for any period of time is required to pay a payroll expense tax on the compensation earned by their employees. The term "payroll expense" for employers shall mean, the compensation earned by employees, irrespective of when paid, including salaries, wages, commissions, bonuses and other compensation, by an individual who, during any tax year, performs work or renders service in whole or in part in the City of Pittsburgh. The Payroll Expense Tax is on gross payroll and is levied on the employer. Under no circumstance may the Payroll Expense Tax be deducted from the employee's wages. An employer that conducts business in the City of Pittsburgh on a temporary special event shall calculate the tax on the total compensation earned while in the City of Pittsburgh and pay the tax due within ten (10) days after the conclusion of the special event. The tax rate is .0055 or .55%. For more details see [www.city.pittsburgh.pa.us/finance](http://www.city.pittsburgh.pa.us/finance)

A **Facility Usage Fee** equal to three percent (3%) of earned income is hereby imposed upon each nonresident who uses a publicly funded facility to engage in an athletic event or otherwise render a performance for which a nonresident receives remuneration.

If your business is already registered with the City, please enter your account number in the appropriate space. Please make checks payable to: **Treasurer, City of Pittsburgh.**

FAILURE TO COMPLY MAY RESULT IN FINES AND/OR REVOCATION OF PERMIT TO SELL WITHIN THE CITY OF PITTSBURGH. A return envelope has been enclosed for your convenience.

If you have any questions regarding this matter, please contact **Dorothea Peniel** at the following:

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By e-mail: [dorothea.peniell@pittsburghpa.gov](mailto:dorothea.peniell@pittsburghpa.gov)

Thank you for your cooperation in this matter. Best wishes to you with this event!