MEMO TO: All CASD Employees
MEMO FROM: Michelle Boal, Payroll
SUBJECT: Local Services Tax (LST) – Exemption

Employees who will be exempt from the Local Services Tax during the 2017 calendar year will need to complete the local Services Tax Exemption Certificate. A certificate is required for each calendar year for which you are applying for exemption. If an Exemption Certificate is not received by the CASD payroll department, the Local Services Tax will be withheld from your pay. To apply for this exemption, please complete the "Application for Exemption from Local Services Tax" which is included on the Business & Finance Department web page, and attach a copy of your most recent pay stub and **submit to the Payroll Department.** The CASD Payroll Department will make a copy and will submit the original to the Franklin County Area Tax Bureau. Following is an excerpt from the Franklin County Area Tax Bureau, which outlines the requirements for this exemption:

"There are exemptions to the Local Services Tax as follows: The law requires municipalities who levy the LST at a rate exceeding $10 to exempt any person from the LST whose total earned income and net profits from all sources within the political subdivision is **less than $12,000 for the calendar year in which the LST is levied**. The Chambersburg Area School District has opted to provide this $12,000 income exemption that the law mandated on the Borough of Chambersburg.

****An annual UPFRONT exemption certificate must be completed by the employee and submitted to their employer** and to the Franklin County Area Tax Bureau. Upon receipt of the exemption certificate the employer shall not withhold the tax from the person during the calendar year or remainder of the calendar year for which the exemption certificate applies.

**Other available exemptions:

1. Any person who has multiple concurrent employers and is subject to a LST at their "primary" job is not subject to the LST at their secondary employer(s).

2. Any person who is an honorably discharged veteran with 100% service-connected disability.

3. Any person on military duty.

If you have questions regarding your eligibility for this exemption, please contact the Franklin County Area Tax Bureau at (717) 263-5141.