

# Individual Taxpayers Local Services Tax (LST) FAQ

## 1. What is the Local Services Tax?

In 2008, the Local Services Tax replaced the former Occupational Privilege Tax (OPT) and the Emergency and Municipal Services Tax (EMST), which provided direct funding to Pennsylvania municipalities for police, fire and other municipal services. The LST is ordinarily deducted from an employer's regular paycheck by their employer.

## 2. Who has to pay this tax?

Any individual who is employed in a municipality/school district that levies a LST has to pay the tax. **This tax is determined by where you work and not where you live.**

## 3. How much LST do I owe?

For a list of current LST rates collected by CTCB, [click here](#).

## 4. How and when is the tax deducted from my pay?

If the enacted LST rate exceeds \$10, the tax must be withheld on a prorated basis determined by the number of pay periods that your employer has for a calendar year. If the LST rate is \$10 or less, the tax may be collected in a lump sum.

## 5. If I work at more than one job, do I owe more than \$52.00?

No. Each taxpayer will not be required to pay more than \$52.00 per year in Local Services Tax. If you paid more than \$52.00, please complete and LST refund form [found here](#).

## 6. Are there any occupations which are exempt from the LST?

Yes. An employee may be exempt from withholding of the LST due to the occupation being that of a clergy person, a military disability, or a military reservist who is called to active duty during the taxable year.

## 7. Is there a low income exemption to the LST?

Yes. If you earn less than \$12,000 per year, you will be exempt from the LST if the levied LST is greater than \$10 per year. Please note that you may not be exempt from the school district portion of the LST no matter what your income.

**8. If I'm self-employed, do I have to pay the LST?**

Yes. If you are self-employed, you must still pay the LST. If the LST in your taxing jurisdiction is \$10 or less, you must remit the LST to CTCB in a lump sum. If the LST is more than \$10, you must pay the tax on a pro-rated basis based on the number of pay periods in a calendar year.

**9. I've only worked for one employer, but worked at multiple locations, do I still have to pay the LST?**

Yes. Where, for a single employer, an employee works at multiple work locations located in different taxing jurisdictions, such employee is subject to the LST levied by the taxing jurisdiction of his "principle" work location. This means that an employee that only works for one employer may still be subject to LSTs for multiple taxing jurisdictions up to a maximum of \$52 for any given tax year.