

INSTRUCTIONS FOR FILING WAGE TAX REFUND PETITION

Completed petitions must include the following:

- W-2 showing Federal, Medicare, State and Local Wages
- Signatures - Employee and Employer
- Federal Form #2106 if claiming expenses on Lines 2G or 3E

Failure to include the above information will delay your refund.

- Taxpayers who worked 100% outside of Philadelphia need a letter, on company stationery, stating the taxpayer neither worked nor lived in Philadelphia during the year. The letter must indicate the taxpayer's actual work location.
- This form only applies to non-residents of Philadelphia, *unless you are a Philadelphia resident claiming allowable expenses on Lines 2G or 3E.*

Line 1 - Enter the gross compensation pertaining to the W-2 associated with your refund request.

Line 2 - Employees who are paid on an hourly basis may convert "days" into "hours" on Lines 2A, B, C, and D.

Line 2B - Non-work days include any day not worked by the employee, e.g., weekends, vacation, holidays, and sick days. Include 104 days for weekends if an employee works a 5-day week.

Line 2G and/or Line 3E - Entries on these lines must be supported by Federal Form #2106. A photocopy is acceptable. If an employee is a non-resident claiming employee business expenses, the employee is only permitted to deduct the proportionate share of expenses incurred in Philadelphia; e.g., an employee who works 80% of their time inside Philadelphia and 20% outside may deduct 80% of the business expenses, since this is the proportionate share of expenses incurred which are attributable to their Philadelphia earnings. Such expenses are deductible provided that:

1. The total expenses are reduced by any amounts reimbursed by the employer.
2. They are ordinary, necessary and reasonable.
3. They are recognized as deductions from gross income by the Internal Revenue Code.

Note: If your Federal Form #2106 has an entry on Line 4, you must submit a breakdown of these expenses.

Examples of expenses which are **not** deductible are: (1) transportation to and from work; (2) pension plan payments; and (3) business expenses not required by the employer.

Line 5 - Tax Rates	Period	Resident Rate	Non-Resident Rate
	01-01-2001 to 06-30-2001	4.5635% (.045635)	3.9672% (.039672)
	07-01-2001 to 12-31-2001	4.5385% (.045385)	3.9462% (.039462)

Line 7 - Attach applicable W-2's indicating Federal, Medicare, State and local wages and Philadelphia Wage Tax withheld.

Wage Tax Rate Reduction: It is expected that the Wage Tax rate will again be reduced, effective on July 1, 2002. Visit our web site, call or e-mail the Revenue Department in June, 2002, for confirmation that the rate has been reduced.

CONTACT INFORMATION

Direct telephone inquires regarding the filing of this form to:
215-686-6574, 6575, or 6578

Send e-mail to revenue@phila.gov

This form can be photocopied, ordered by calling 215-686-6600, and is available for download from our web site at www.phila.gov/revenue

Mail completed forms to:

CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
REFUND UNIT
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