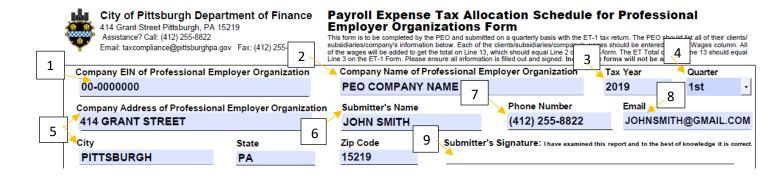
Payroll Expense Tax Allocation Schedule for Professional Organization Form Instructions

This form is to be completed by the Professional Employer Organization and submitted on a quarterly basis with the Payroll Expense Tax Return (ET-1). The PEO will list all of their clients/subsidiaries/companies' wages into the Wages column on the form. All wages will be automatically be totaled on Line 13, which must equal Line 2 on the ET-1 form. The ET Total column on Line 13 must equal Line 3 on the ET-1 Form.

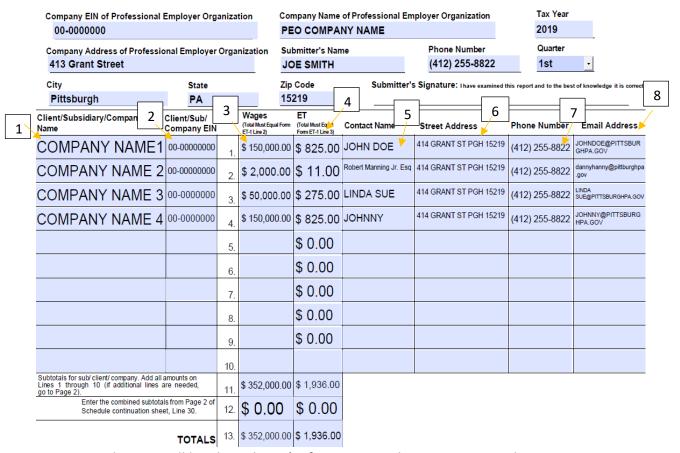
The form can be broken down into two sections (which are listed below) and will be described in more detail.

- 1. Professional Employer Organization Information Section.
- 2. Professional Employer Organization's Client/Subsidiary/Company Information.



Section 1: The PEO will enter in the following information on the top portion of the form:

- 1. EIN- Enter the 9-digit Federal Tax ID number provided by the IRS for the PEO Company.
- 2. PEO Company Name- Enter the PEO Company Name.
- **3. Tax Year** Enter the tax year for which you are filing. This must correspond with the tax return you are submitting.
- **4. Quarter** Select the quarter for which you are submitting the allocation schedule form, e.g., 1st, 2nd, 3rd, or 4th quarter.
- 5. PEO Company's Address- Provide the address of your business location.
- **6. Preparer's Name-** Enter the name of the person who is completing this form.
- 7. Phone Number- Enter the phone number of the preparer.
- 8. Email- Enter the email of the preparer.
- **9. Preparer's Signature-** The preparer must sign this form certifying that all information provided is correct to the best of their knowledge.



Section 2: The PEO will list their clients' information in the appropriate columns.

- 1. Client/Subsidiary/Company Name- The PEO will list the names of the companies' in the first column. In the example above, the PEO listed the names of 4 companies.
- **2. Client/Subsidiary/Company EIN-** Enter the 9-digit Federal Tax ID number provided by the IRS for each of the companies'.
- **3.** Wages- The PEO will list the total wages from each company. This total must equal line 2 on the ET-1 Form. In the example above, Company 1 has \$150,000.00, Company 2 has \$2,000.00, Company 3 has \$50,000.00 and Company 4 has \$150,000, which totals to \$352,000 on line 13.
- **4. ET-** Enter the payroll expense tax for each company. This is the Wage amount multiplied by 0.0055. The first Company 1 is reporting \$150,000 in wages. To calculate the ET column, multiply \$150,000 (gross wage) by 0.0055 (tax rate) to equal \$825.00 (tax due).
- 5. Contact Name- Enter the name of the company contact or legal representative.
- **6. Street Address-** Enter the company street address. If a P.O. Box, provide the physical location address.
- 7. Phone Number- Enter the company phone number and/or cell phone number.
- **8. Email Address-** Enter the company email address or legal representative's email address.

The Professional Employer Organization's Client/Subsidiary/Company Information continues onto page 2 if the PEO is reporting more than 10 clients/companies/subsidiaries. If the PEO is

filing for more than 26 clients/companies/subsidiaries, the PEO can complete and submit more than one Payroll Expense Tax Allocation Schedule Form to account for all clients/companies/subsidiaries. All allocation schedule forms must be submitted together with the Payroll Expense Tax form.

	Client/Sub/ Company EIN	Wages	ET	Contact Name	Street Address	Phone Number	Email Address
	1-	4.					
	1:	5.					
	10						
	1						
	18						
	1:	9.					
	2						
	2						
	2	2.					
	2						
	2-	4.					
	2	5.					
	20	6.					
	2						
	28						
	25	9.					
ubtotals for sub/ client/ company. Add all ar through 29. Include the subtotals from Lir	mounts on Lines ne 30 on Line 12.	0.					

After the PEO completes the Payroll Expense Tax Allocation Schedule form, they can complete their Payroll Expense Tax Return. In this example, the PEO is filing the tax return for a total of \$352,000 from the 4 different companies as you can see below. The Total Wage amount is found on Line 13.

	Client/Sub/ Company EIN		Wages (Total Must Equal Form ET-1 Line 2)	(Total Must Equal Form ET-1 Line 3)
COMPANY NAME1	00-00000000	1.	\$ 150,000.00	\$ 825.00
COMPANY NAME 2	00-00000000	2.	\$ 2,000.00	\$ 11.00
COMPANY NAME 3	00-0000000	3.	\$ 50,000.00	\$ 275.00
COMPANY NAME 4	00-0000000	4.	\$ 150,000.00	\$ 825.00
		5.		\$ 0.00
		6.		\$ 0.00
		7.		\$ 0.00
		8.		\$ 0.00
		9.		\$ 0.00
		10.		
Subtotals for sub/ client/ company. Add all amounts on Lines 1 through 10 (if additional lines are needed, go to Page 2).			\$ 352,000.00	\$ 1,936.00
Enter the combined subtotals from Page 2 of Schedule continuation sheet, Line 30.			\$ 0.00	\$ 0.00
	TOTALS	13.	\$ 352,000.00	\$ 1,936.00

This total will be written on Line 1a of the 2019 1st quarter tax return. See example below.

MESSAGE BOX – WHEN TO FILE AND PAY					
BEGINNING JANUARY 1, 2016					
THE PAYROLL EXPENSE TAX WILL REVERT TO A CALENDAR REPORTING QUARTER AS FOLLOWS: First quarter calculated on January, February and March due May 31 st Second quarter calculated on April, May and June due August 31 st Third quarter calculated on July, August and September due November 30 th Fourth quarter calculated on October, November and December due February 25 th					
If you are a 501C-3 Purely Public Charity, see the instructions on the back and check this box if you qualify.					
1. TAXABLE PAYROLL EXPENSE					
a. 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.	\$352,000.00				
b. The term "payroll expense" for self-employed individuals shall mean, in addition to the foregoing, the entire amount of distributions made to any self-employed individual from their business for work or services performed in the City of Pittsburgh. The term "payroll expense" for partherships shall also mean, in addition to the foregoing, the entire amount of					
distributions made to any person having an interest in such partnership for work or services performed in the City of Pittsburgh.					

The PEO will then enter the total payroll expense tax from each company and report this on Line 3 of the ET-1 Tax Form. The total payroll expense amount due is found on Line 13 under the ET column of the Payroll Tax Allocation Schedule form.

, ,	Client/Sub/ Company EIN		Wages (Total Must Equal Form ET-1 Line 2)	ET (Total Must Equal Form ET-1 Line 3)
COMPANY NAME1	00-00000000	1.	\$ 150,000.00	\$ 825.00
COMPANY NAME 2	00-00000000	2.	\$ 2,000.00	\$ 11.00
COMPANY NAME 3	00-0000000	3.	\$ 50,000.00	\$ 275.00
COMPANY NAME 4	00-0000000	4.	\$ 150,000.00	\$ 825.00
		5.		\$ 0.00
		6.		\$ 0.00
		7.		\$ 0.00
		8.		\$ 0.00
		9.		\$ 0.00
		10.		
Subtotals for sub/client/company. Add all amounts on Lines 1 through 10 (if additional lines are needed, go to Page 2).			\$ 352,000.00	\$ 1,936.00
Enter the combined subtotals from Page 2 of Schedule continuation sheet, Line 30.			\$ 0.00	\$ 0.00
	TOTALS	13.	\$ 352,000.00	\$ 1,936.00

The Total Payroll Expense tax due will be entered on the ET-1 2019 1st quarter return, Line 3. See example below.

ET-1 2019 PAYROLL EXPENSE TAX

City of Pittsburgh Rev 09/18 CITY ID FEDERAL ID Tax Return No Longer Needed
Complete Account Cancellation Form Amended Return 00-000-0000 00-0000000 TAX PERIOD QUARTER SIGNATURE 1st TITLE Due on or before PHONE GENERAL CONTRACTOR NAM E-MAIL ADDRESS PREPARER'S NAME 414 GRANT ST PREPARER'S PHONE PITTSBURGH, PA 15219 Make name/address corrections above USE BLACK INK ONLY ON THIS FORM OMISSION OF THE ABOVE APPLICABLE INFORMATION CONSTITUTES AN INCOMPLETE RETURN MESSAGE BOX - WHEN TO FILE AND PAY **BEGINNING JANUARY 1, 2016** THE PAYROLL EXPENSE TAX WILL REVERT TO A CALENDAR REPORTING QUARTER AS FOLLOWS: First quarter calculated on January, February and March due May 31** Second quarter calculated on April, May and June due August 31** Third quarter calculated on July, August and September due November 30** Fourth quarter calculated on October, November and December due February 28th If you are a 501C-3 Purely Public Charity, see the instructions on the back and check this box if you qualify. 1. TAXABLE PAYROLL EXPENSE 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 \$352,000.00 renders service, in whole or in part in the city. The term "payroll expense" for self-employed individuals shall mean, in addition to the foregoing, the entire amount of distributions made to any self-employed individual from their business for work or services performed in the City of Pittsburgh. The term "payroll expense" for partnerships shall also mean, in addition to the foregoing, the entire amount of distributions made to any person having an interest in such partnership for work or services performed in the City of Pittsburgh. 2. TOTAL PAYROLL EXPENSE ADD LINES 1a & 1b \$352,000.00 3. TAX DUE **MULTIPLY LINE 2 BY TAX RATE .0055** \$1,936.00 INTEREST AND PENALTY IF FILED AFTER Total 1.5% per month Interest 0.5% (0.005) Penalty 1% (0.01) 5. OVERPAYMENT CHECK ONE REFUND or CREDIT Attach explanation TOTAL DUE WITH THIS RETURN Add Lines 3 & 4 AMOUNTS OF \$2.00 OR LESS ARE NOT DUE Make check payable to: TREASURER, CITY OF PITTSBURGH - DO NOT SEND CASH

The total amount of tax due is \$1,936.00. The tax return must be postmarked on or before the respective due date. Any return received after its due date is subject to interest and penalty. The tax return as well as the Payroll Expense Tax Allocation Schedule form shall be submitted together to the City of Pittsburgh.

Mailto: PAYROLL EXPENSE TAX - 414 GRANT ST - PITTSBURGH PA 15219-2476

A \$30.00 service fee will be charged for any check returned from the bank for any reason.

\$1,936.00