



June 16, 2022

Dear Employer,

We are writing to notify you of an important change to your legal obligation to withhold local earned income tax from employees and to remit those withholdings to the Berks County Earned Income Tax Collection Bureau.

Currently, as an employer located within the City of Reading, or with a work location in the City of Reading, you should be withholding local earned income tax from employees who commute to and work for you in the City – but who live outside of the City – at the rate of 1.3%. The City of Reading has adopted Bill No 89-2021 removing the additional 0.3% non-resident EIT assessed against non-resident commuter taxpayers.

Effective July 1, 2022, you must begin withholding local earned income tax from employees who commute to and work for you in the City – but who live outside of the City – at the reduced rate of 1.0% (or higher rate for a taxpayer whose domicile taxing authority is greater than 1.0%).

Very importantly, aside from the rate change for commuters, there are no other changes to the local earned income tax withholding, electronic remittance, or electronic reporting requirements. If you have any questions about any of those requirements, please visit the “Employer” section of the Bureau’s website: <https://www.berkseit.com/>.

Now that you have received this notification, please be advised that failure to withhold local earned income tax from your employees who live outside the City at the reduced rate of 1.0% beginning July 1 could lead to fines, penalties, and other sanctions. 53 P.S. §§ 6924.511(a)(6), 6924.509(i),(j).

Thank you in advance for your attention to this matter and for your anticipated compliance with this notice.