

## REAL ESTATE BROKERS AND AGENTS

**Q: I have a full time W-2 job, and sell real estate on the side. I do not live in the Wilson School District, but the real estate office with which I am affiliated is located in the District. Am I required to register, file, and pay the Business Privilege Tax?**

A: If your real estate license is sponsored or supervised by a Real Estate Broker located within the Wilson School District all receipts generated are taxable in Wilson. Wherever your license is held is considered the home base of your business/operations.

Please note while all receipts are initially attributable to your broker's location in the District, if you are properly subject to a business privilege tax on the same receipts in another municipality, and have paid tax on those receipts to that other municipality, you are permitted to exclude the receipts on which you paid tax to the other municipality. *Please see section 105(H) of the Regulations for more information and to see if you qualify for this exclusion.*

Further note: Real Estate Brokers and Real Estate Agents are separate businesses subject to the Business Privilege Tax and each is subject to tax on its gross receipts. In keeping with the nature of the Business Privilege Tax as a gross receipts tax, and also in keeping with Pennsylvania case law, no exclusion is permitted for receipts passed through from the Broker to the Agent or from a Broker to another Broker.

*For more information, see Section 206(I) of the Business Tax Regulations.*

**Q: I am a realtor from a Real Estate Office located within the Wilson School District. Can I exclude from gross receipts the commissions on the sale of properties not located within Wilson School District?**

A: No. Gross Receipts include commissions on properties not located within Wilson School District if the transaction is handled through personnel connected to a Base of Operations in the District. Note, however, that if receipts are properly subject to business privilege tax and paid in another jurisdiction, those receipts may be excluded from the District's tax calculation. See *Section 105(H) for more information on this exclusion and to determine whether you qualify for this exclusion.*