Memorandum

TO:       University Community
FROM:      Tax and International Operations
DATE:       November 28, 2016
SUBJECT:  New Jersey Governor’s Continuation of Reciprocal Tax Agreement between New Jersey and Pennsylvania

On November 22, 2016, New Jersey Governor Chris Christie announced that the reciprocal tax agreement between New Jersey and Pennsylvania, which had been slated to end at the end of 2016, would continue to remain in effect. This agreement allows for individuals in either of these two states to pay taxes in their state of residence, rather than the state in which they work.

As a result, if you live in New Jersey and work in Pennsylvania, you will continue to have New Jersey state tax withheld as you do today. If you live in Pennsylvania and work in New Jersey, you will continue to have Pennsylvania state tax withheld as you do today.

For specific advice on how this change may affect you, please consult your tax advisor.

If you have any questions, please contact Tax and International Operations at (215) 898-6291.