Advantages to Retiring in Pennsylvania



No PA State Tax on Retirement Income

The Commonwealth of Pennsylvania does not tax sources of retirement income. These state tax-exempt sources of income include:

- Social Security
- Pensions
- Military retirement income
- Income from retirement accounts such as IRA and 401 (k)

Income from investments that are not retirement-based is taxed. Remember that retirement accounts are never joint. An account that is in both your name and your spouse's is not a retirement account.



No Sales Tax on Food or Clothing

The Pennsylvania sales tax of 6% is not levied on food or clothing. However, restaurant food is taxed.



Easy Driver's License Transfer

New residents must obtain a PA Driver's License within 60 days of establishing Pennsylvania residency. You will be required to surrender your out-of-state driver's license and take a vision test. If your out-of-state license is still valid when you apply for a PA License, no written test or driving test is required.



