

CHAPTER 24
TAXATION, SPECIAL

PART 1

REALTY TRANSFER TAX

- §24-101. Imposition of Tax**
- §24-102. Administration**
- §24-103. Interest**

PART 2

(RESERVED)

PART 3

EARNED INCOME AND NET PROFITS TAX

A. Earned Income and Net Profits Tax

- §24-301. Definitions**
- §24-302. Imposition of Tax**
- §24-303. Declaration and Payment of Tax**
- §24-304. Collection at Source**
- §24-305. Powers and Duties of Income Tax Officer**
- §24-306. Compensation of Income Tax Officer**
- §24-307. Suit for Collection of Tax**
- §24-308. Interest and Penalties**
- §24-309. Collection of Delinquent Earned Income Taxes From Employers, Etc.**
- §24-310. Payments and Refunds**
- §24-311. Appointment of Income Tax Officer**
- §24-312. Reciprocal Agreements**
- §24-313. Payment of Tax to Other Political Subdivision or States As Credit or Deduction; Withholding Tax**
- §24-314. Applicability**
- §24-315. Fines and Penalties for Violation**
- §24-316. Authority**

B. Earned Income and Net Profits Tax for the Purpose of Land Preservation.

- §24-321. Incorporation of Statutes**

TAXATION, SPECIAL

- §24-322. Imposition of Tax
- §24-323. Declarations, Returns and Payment of Tax
- §24-324. Collection at Source
- §24-325. Administration
- §24-326. Interest and Penalties for Late Payment
- §24-327. Penalties for Violations

PART 4

(RESERVED)

PART 5

LOCAL TAXPAYERS BILL OF RIGHTS

- §24-501. Rules and Regulations

PART 6

LOCAL SERVICES TAX

- §24-601. Levy and Collection of Tax
- §24-602. Amount of Tax
- §24-603. Discount, Flat Rate and Penalty Periods
- §24-604. Manner of Collection of Tax
- §24-605. Warrant for Collection of Tax
- §24-606. Exemptions
- §24-607. Priority of Claim
- §24-608. Refunds
- §24-609. Penalty for Violation

Pennridge School District

PART 1

REALTY TRANSFER TAX

§24-101. Imposition of Tax.

East Rockhill Township adopts the provisions of Article XI-D of the Tax Reform Code of 1971 and imposes a realty transfer tax as authorized under that Article, subject to the rate limitations therein. The tax imposed under this section shall be at the rate of one percent.

(Ord. 225, 10/17/2006)

§24-102. Administration.

The tax imposed under §24-101, and all applicable interest and penalties, shall be administered, collected and enforced under the Act of December 31, 1965 (P.L. 1257, No. 511, as amended, known as the "Local Tax Enabling Act"); provided that, if the correct amount of the tax is not paid by the last date prescribed for timely payment, East Rockhill Township, pursuant to Section 1102-D of the Tax Reform Code of 1971 (72 P.S. §8102-D), authorizes and directs the Department of Revenue of the Commonwealth of Pennsylvania to determine, collect and enforce the tax, interest and penalties.

(Ord. 225, 10/17/2006)

§24-103. Interest.

Any tax imposed under §24-101, that is not paid by the date the tax is due shall bear interest as prescribed for interest on delinquent municipal claims under the Act of May 16, 1923 (P.L. 207, No. 153) (53 P.S. §7101 et seq.), as amended, known as the "Municipal Claims and Tax Liens Act." The interest rate shall be the lesser of the interest rate imposed upon delinquent Commonwealth taxes as provided in Section 806 of the Act of April 9, 1929 (P.L. 343, No. 176) (72 P.S. §806), as amended, known as the "Fiscal Code," or the maximum interest rate permitted under the Municipal Claims and Tax Liens Act for tax claims.

(Ord. 225, 10/17/2006)

PART 2
(RESERVED¹)

¹ Editor's Note: Former Part 2, Per Capita Tax, adopted by Ord. 17, 11/21/1966, as amended, was repealed by Ord. 231, 4/17/2007, Art. I.

PART 3

EARNED INCOME AND NET PROFITS TAX

A. Earned Income and Net Profits Tax.

§24-301. Definitions.

The following words and phrases, when used in this Part 3A, shall have the meanings ascribed to them in this section, except where the context clearly indicates or requires a different meaning:

ASSOCIATION — a partnership, limited partnership or any other unincorporated group of two or more persons.

BUSINESS — an enterprise, activity, profession or any other undertaking of an unincorporated nature conducted for profit or ordinarily conducted for profit, whether by a person, partnership, association or any other entity.

CORPORATION — a corporation or joint-stock association organized under the laws of the United States, the Commonwealth of Pennsylvania, or any other state, territory, foreign country or dependency.

CURRENT YEAR — the calendar year for which the tax is levied.

DOMICILE — the place where one lives and has his permanent home and to which he has the intention of returning whenever he is absent. Actual residence is not necessarily domicile, for domicile is the fixed place of abode which, in the intention of the taxpayer, is permanent rather than transitory. Domicile is the place in which a man has voluntarily fixed the habitation of himself and his family, not for a mere special or limited purpose, but with the present intention of making a permanent home, until some event occurs to induce him to adopt some other permanent home. In the case of businesses or associations, the domicile is that place considered as the center of business affairs and the place where its functions are discharged.

EARNED INCOME — salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation received by a person or his personal representative for services rendered, whether directly or through an agent, and whether in case or in property; not including, however, wages or compensation paid to persons on active military service, periodic payments for sickness and disability other than regular wages received during a period of sickness, disability or retirement, or payments arising under Workers' Compensation Acts, occupation disease acts and similar legislation, or payments commonly recognized as old age benefits, retirement pay or pensions paid to persons retired from service after reaching a specific age or after a stated period of employment, or payments commonly known as public assistance or unemployment compensation payments

TAXATION, SPECIAL

made by any governmental agency, or payments to reimburse expenses, or payments made by employers or labor unions for wage and salary supplemental programs, including but not limited to programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, strike benefits, social security and retirement.

EMPLOYER — a person, partnership, association, corporation, institution, governmental body, or unit, or agency or any other entity employing one or more persons for a salary, wage, commission or other compensation.

INCOME TAX OFFICER or OFFICER — the person, public employee or private agency designated by the Board of Supervisors of the Township of East Rockhill to collect and administer the tax on earned income and net profits.

NET PROFITS — the net income from the operation of a business, profession or other activity, except corporations, after provisions for all costs and expenses incurred in the conduct thereof, determined either on a cash or accrual basis in accordance with the accounting system used in such business, profession or other activity, but without deduction of taxes based on income.

NONRESIDENT — a person, partnership, association or other entity domiciled outside the Township of East Rockhill.

PERSON or INDIVIDUAL — a natural person.

PRECEDING YEAR — the calendar year before the current year.

RESIDENT — a person, partnership, association or other entity domiciled in the Township of East Rockhill.

SUCCEEDING YEAR — the calendar year following the calendar year.

TAXPAYER — a person, partnership, association or any other entity required hereunder to file a return of earned income or net profits or to pay a tax thereon.

TOWNSHIP OF EAST ROCKHILL — a duly organized political subdivision of the Commonwealth of Pennsylvania, classified and designated as a second class Township and situate in the County of Bucks and Commonwealth of Pennsylvania.

(Ord. 15, 4/25/1966, §1)

§24-302. Imposition of Tax.

1. A tax for general revenue purposes is hereby imposed at the rate of 1% on the following:

- A. All earned income received and net profits earned on or after July 1, 1966, by residents of the Township of East Rockhill.
 - B. Earned income received and net profits earned on or after July 1, 1966, by nonresidents of the Township of East Rockhill in the Township of East Rockhill.
2. The tax levied under this Part 3A shall be applicable to earned income received and to net profits earned in the period beginning July 1, 1966, and ending December 31, 1966, or for taxpayer's fiscal year beginning July 1, 1966, or thereafter from July 1, 1966, and the tax shall continue in force on a calendar year or taxpayer's fiscal year basis, without annual reenactment, unless the rate of tax is subsequently changed or this Part 3A repealed. Regardless of the fiscal year of any taxpayer, such taxpayer shall be liable for the payment of the tax hereby imposed from July 1966.

(Ord. 15, 4/25/1966, §2)

§24-303. Declaration and Payment of Tax.

1. Net Profits.
 - A. Declaration on April 15 and Payment. Except during 1966, every taxpayer making net profits shall, on or before April 15 of the current year, make and file with the Income Tax Officer, on a form prescribed or approved by the Income Tax Officer, a declaration of his estimated net profits during the period beginning January 1 and ending December 31 of the current year and pay to the Income Tax Officer in four equal quarterly installments the tax due thereon as follows: the first installment at the time of filing of the declaration, and the other installments on or before June 15 of the current year, September 15 of the current year and January 15 of the succeeding year, respectively.
 - B. Declaration After April 15 and Payment. Except during 1966, any taxpayer who first anticipates any net profit after April 15 of the current year shall make and file the declaration hereinabove required in Subsection 1A, on or before June 15 of the current year, September 15 of the current year or December 31 of the current year, whichever of these dates next follows the date on which the taxpayer first anticipates such net profit, and pay to the Income Tax Officer in equal installments the tax due thereon on or before the quarterly payment dates which remain after the filing of the declaration.
 - C. Final Return. Every taxpayer shall, on or before April 15 of the succeeding year, make and file with the Income Tax Officer, on a form prescribed or approved by the Income Tax Officer, a final return showing the amount of net profits earned during the period beginning January 1 of the current year

TAXATION, SPECIAL

and ending December 31 of the current year, the total amount of tax due thereon and the total amount of tax paid thereon. At the time of filing the final return, the taxpayer shall pay to the Income Tax Officer the balance of the tax due or shall make demand for refund or credit in the case of overpayment.

- D. Settlement on January 31. Any taxpayer may, in lieu of paying the fourth quarterly installment of his estimated tax, elect to make and file with the Income Tax Officer, on or before January 31 of the succeeding year, the final return as hereinabove required.
- E. Adjusted Declaration. The Income Tax Officer is hereby authorized to provide by regulation for the making and filing of adjusted declarations of estimated net profits and for payments of the estimated tax in cases where a taxpayer who has filed the declaration hereinabove required anticipates additional net profits not previously declared or finds that he has overestimated his anticipated net profits.
- F. Business Discontinuance. Every taxpayer who discontinues business prior to December 31 of the current year shall, within 30 days after the discontinuance of business, file his final return as hereinabove required and pay the tax due.
- G. Declaration and Payment in 1966. For the abbreviated year of 1966, during which this Part 3A is in force and the tax imposed, to wit: from July 1, 1966, to December 31, 1966, the taxpayer shall make and file his declaration and pay his taxes in accordance with Subsection 1B hereof, this is to say, that the taxpayer shall make and file the declaration hereinabove required on or before September 15, 1966, or December 31, 1966, whichever of these dates next follows the date on which the taxpayer first anticipates such net profits, and pay to the Income Tax Officer in equal installments the tax due thereon on or before the quarterly payment dates which remain after the filing of the declaration.

2. Earned Income.

- A. Annual Earned Income Tax Return. On or before April 15 of the succeeding year, every taxpayer shall make and file with the Income Tax Officer, on a form prescribed or approved by the Income Tax Officer, a final return showing the amount of earned income received during the period beginning January 1 of the current year and ending December 31 of the current year (for the year 1966, the return shall set forth the information required by this subsection for the period beginning July 1, 1966, and ending December 31, 1966), the total amount of tax due thereon, the amount of tax paid thereon, the amount of tax thereon that has been withheld pursuant to the provisions relating to the collection at source and the balance of tax due. At the time of filing the final return, the taxpayer shall pay the balance of the

tax due or shall make demand for refund or credit in the case of overpayment.

- B. Earned Income Not Subject to Withholding. Except during 1966, every taxpayer who is employed for a salary, wage, commission or other compensation and who received any earned income not subject to the provisions relating to collection at source shall make and file with the Income Tax Officer, on a form prescribed or approved by the Officer, a quarterly return on or before April 30 of the current year, July 31 of the current year, October 31 of the current year and January 31 of the succeeding year, setting forth the aggregate amount of earned income not subject to withholding by him during the three-month period ending March 31 of the current year, June 30 of the current year, September 30 of the current year and December 31 of the current year, respectively, and subject to the tax, together with such other information as the Income Tax Officer may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the Income Tax Officer the amount of tax shown as due thereon.

- C. Declaration and Payment 1966. For the abbreviated year of 1966, to wit: from July 1, 1966, to December 31, 1966, during which tax is imposed, every taxpayer who is employed and received any earned income not subject to withholding shall make and file with the Income Tax Officer, on the forms as above set forth, a return on or before October 31, 1966, and January 31, 1967, setting forth the aggregate amount of earned income not subject to withholding earned by him during the three-month periods ending September 30, 1966, and December 31, 1966, and subject to the tax, together with such other information as the Income Tax Officer may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the Income Tax Officer the amount of tax shown as due thereon.

(Ord. 15, 4/25/1966, §3)

§24-304. Collection at Source.

- 1. Employer Registration. Every employer having an office, factory, workshop, branch, warehouse or other place of business within the Township of East Rockhill who employs one or more persons, other than domestic servants, for a salary, wage, commission or other compensation, who has not previously registered, shall, within 15 days after becoming an employer, register with the Income Tax Officer his name and address and such other information as the Income Tax Officer may require.

- 2. Withholding and Payment.
 - A. Every employer having an office, factory, workshop, branch, warehouse or other place of business within the Township of East Rockhill who employs one or more persons, other than domestic servants, for a salary, wage, com-

TAXATION, SPECIAL

mission or other compensation, shall deduct, at the time of payment thereof, the tax imposed by this Part 3A on the earned income due to his employee or employees and shall, on or before April 30 of the current year, July 31 of the current year, October 31 of the current year, and January 31 of the succeeding year, file a return and pay to the Officer the amount of taxes deducted during the preceding three-month periods ending March 31 of the current year, June 30 of the current year, September 30 of the current year and December 31 of the current year, respectively. Such return, unless otherwise agreed upon between the Income Tax Officer and employer, shall show the name and social security number of each such employee, the earned income of such employee during such preceding three-month period, the tax deducted therefrom, the political subdivision imposing the tax upon such employee, the total earned income of all such employees during such preceding three-month period, and the total tax deducted therefrom and paid with the return.

- B. Any employer who, for two of the preceding four quarterly periods, has failed to deduct the proper tax, or any part thereof, or has failed to pay over the proper amount of tax to the Township of East Rockhill, may be required by the Income Tax Officer to file his return and pay the tax monthly. In such cases, payments of tax shall be made to the Income Tax Officer on or before the last day of the month succeeding the month for which the tax was withheld.
3. Annual Returns. On or before February 28 of the succeeding year, every employer shall file with the Income Tax Officer:
 - A. An annual return showing the total amount of earned income paid, the total amount of tax deducted and the total amount of tax paid to the Income Tax Officer for the period beginning January 1 of the current year and ending December 31 of the current.
 - B. A return withholding statement for each employee employed during all or any part of the period beginning January 1 of the current year and ending December 31 of the current year, setting forth the employee's name, address and social security number, the amount of earned income paid to the employee during said period, the amount of tax deducted, the political subdivision imposing the tax upon such employee, and the amount of tax paid to the Income Tax Officer. Every employer shall furnish two copies of the individual return to the employee for whom it is filed.
 4. Business Discontinuance. Every employer who discontinues business prior to December 31 of the current year shall, within 30 days after the discontinuance of business, file the returns and withholding statements hereinabove required and pay the tax due.
 5. Employer's Liability. Except as otherwise provided in §9 of Act 511 of 1965, the Local Tax Enabling Act of 1965, every employer who willfully or negligently fails

or omits to make the deductions required by this section shall be liable for payment of the taxes which he was required to withhold to the extent that such taxes have not been recovered from the employee.

6. **Employee's Liability.** The failure or omission of any employer to make the deductions required by this section shall not relieve any employee from the payment of the tax or from complying with the requirements of this Part 3A relating to the filing of declarations and returns.
7. **Employer's Trust.** If an employer makes a deduction of tax as required by this section, the amount deducted shall constitute, in the hands of the employer, a trust fund held for the account of the Township of East Rockhill as beneficial owner thereof, and the employee from whose earned income tax was deducted shall be deemed to have paid such tax.

(Ord. 15, 4/25/1966, §4)

§24-305. Powers and Duties of Income Tax Officer.

1. **General Duties.** It shall be the duty of the Income Tax Officer to collect and receive the taxes, fines and penalties imposed by this Part 3A. It shall also be his duty to keep a record showing the amount received by him from each person or business paying the tax and the date of such receipt.
2. **Bond.**
 - A. Each Income Tax Officer, before entering upon his official duties, shall give and acknowledge a bond to the Township of East Rockhill.
 - B. The bond shall be joint and several, with one or more corporate sureties which shall be surety companies authorized to do business in this Commonwealth and duly licensed by the Insurance Commissioner of this Commonwealth.
 - C. The bond shall be conditioned upon the faithful discharge by the Income Tax Officer, his clerks, assistants and appointees of all trusts confided in him by virtue of his office, upon the faithful execution of all duties required of him by virtue of his office, upon the just and faithful accounting or payment over, according to law, of all moneys and all balances thereof paid to, received or held by him by virtue of his office and upon the delivery to his successor, or successors in office of all books, papers, documents of other official things held in right of his office.
 - D. The bond shall be taken in the name of the Township of East Rockhill and shall be for the use of the Township of East Rockhill and for the use of such other person or persons for whom money shall be collected or received, or as

TAXATION, SPECIAL

his or her interest shall otherwise appear, in case of a breach of any of the conditions thereof by the acts or neglect of the principal on the bond.

- E. The Township of East Rockhill or any person may sue upon the said bond in its or his own name for its or his own use.
 - F. The bond shall contain the name or names of the surety company or companies bound thereon. The Township of East Rockhill shall fix the amount of the bond at an amount equal to the maximum amount of taxes which may be in the possession of the Income Tax Officer at any given time.
 - G. The Township of East Rockhill may, at any time, upon cause shown and due notice to the Income Tax Officer and his surety or sureties, require or allow the substitution or the addition of a surety company acceptable to the Township of East Rockhill for the purpose of making the bond sufficient in amount, without releasing the surety or sureties first approved from any accrued liability or previous action on such bond.
 - H. The Secretary of the Board of Supervisors of the Township of East Rockhill shall be the custodian of the bond.
3. Rules and Regulations. The Income Tax Officer is hereby empowered to prescribe, adopt, promulgate and enforce rules and regulations relating to any matter pertaining to the administration and enforcement of this Part 3A, including provisions for the examination and correction of declarations and returns, and of payments alleged or found to be incorrect, or as to which an overpayment is claimed or found to have occurred, and to make refunds in cases of overpayment, for any period of time not to exceed six years subsequent to the date of payment of the sum involved, and to prescribe forms necessary for the administration of this Part. No rule or regulation of any kind shall be enforceable unless it has been approved by resolution of the Township of East Rockhill. A copy of such rules and regulations currently in force shall be available for public inspection.
4. Refunds. The Income Tax Officer shall refund, on petition of and proof by the taxpayer, earned income tax paid on the taxpayer's ordinary and necessary business expenses to the extent that such expenses are not paid by the taxpayer's employer.
5. Examinations. The Income Tax Officer and agents designated by him are hereby authorized to examine the books, papers and records of any employer or of any taxpayer, or of any person whom the Income Tax Officer reasonably believes to be an employer to taxpayer, in order to verify the accuracy of any declaration or return or, if no declaration or return was filed, to ascertain the tax due. Every employer and every taxpayer and every person whom the officer reasonably believes to be an employer or taxpayer is hereby directed and required to give to the Income Tax Officer or to any agent designated by him the means, facilities and opportunity for such examination and investigation as are hereby authorized.

6. **Confidence of Office.** Any information gained by the Income Tax Officer, his agents, or by any other official or agent of the Township of East Rockhill as a result of any declarations, returns, investigations, hearings or verifications required or authorized by this Part 3A shall be confidential, except for official purposes and except in accordance with a proper judicial order or as otherwise provided by law.
7. **Fiscal Years.** The Income Tax Officer is authorized to establish different filing, reporting and payment dates for taxpayers whose fiscal years do not coincide with the calendar year.

(Ord. 15, 4/25/1966, §5)

§24-306. Compensation of Income Tax Officer.

The Income Tax Officer shall receive such compensation for his services and expenses as determined by the Township of East Rockhill.

(Ord. 15, 4/25/1966, §6)

§24-307. Suit for Collection of Tax.

1. **Authority.** The Income Tax Officer may sue in the name of the taxing district for the recovery of taxes due and unpaid under this Part.
2. **Statute of Limitations.** Any suit brought to recover the tax imposed by this Part shall be begun within three years after such tax is due, or within three years after the declaration or return has been filed, whichever date is later; provided, however, that this limitation shall not prevent the institution of a suit for the collection of any tax due or determined to be due in the following cases:
 - A. Where no declaration or return was filed by any person although a declaration or return was required to be filed by him under provisions of this Part, there shall be no limitation.
 - B. Where an examination of the declaration or return filed by any person, or of other evidence relating to such declaration or return in the possession of the officer, reveals a fraudulent evasion of taxes, there shall be no limitation.
 - C. In the case of substantial understatement of tax liability of 25% or more, and no fraud, suit shall be begun within six years.
 - D. Where any person has deducted taxes under the provisions of this Part 3A and has failed to pay the amounts so deducted to the Income Tax Officer or where any person has willfully failed or omitted to make the deductions required by this section, there shall be no limitation.

TAXATION, SPECIAL

- E. This section shall not be construed to limit the Township of East Rockhill from recovering delinquent taxes by any other means provided by this Part 3A.
3. The Income Tax Officer may sue for recovery of an erroneous refund, provided that such suit is begun two years after making such refund, except that the suit may be brought within five years if it appears that any part of the refund was induced by fraud or misrepresentation of material fact.

(Ord. 15, 4/25/1966, §7)

§24-308. Interest and Penalties.

If for any reason the tax is not paid when due, interest at the rate of six percent per annum on the amount of said tax, and an additional penalty of one-half of one percent of the amount of the unpaid tax for each month or fraction thereof during which the tax remains unpaid, shall be added and collected. Where suit is brought for the recovery of any such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed.

(Ord. 15, 4/25/1966, §8)

§24-309. Collection of Delinquent Earned Income Taxes From Employers, Etc.

The Income Tax Officer shall demand, receive and collect from all corporations, political subdivisions, associations, companies, firms or individuals employing persons owing delinquent earned income taxes or whose spouse owes delinquent earned income taxes, or having in possession unpaid commissions or earnings belonging to any person or persons owing delinquent earned income taxes or whose spouse owes delinquent earned income taxes, upon the presentation of a written notice and demand under oath or affirmation, containing the name of the taxable individual or the spouse thereof and the amount of tax due. Upon the presentation of such written notice and demand, it shall be the duty of any such corporation, political subdivision, association, company, firm or individual to deduct from the wages, commissions or earnings of such individual employees, then owing or which shall within 60 days thereafter become due, or from any unpaid commissions or earnings of any such taxable individual in its or his possession, or that shall within 60 days thereafter come into its or his possession, a sum sufficient to pay the respective amount of delinquent earned income taxes, and costs, shown upon the written notice or demand and to pay the same to the Income Tax Officer within 60 days after such notice shall have been given. Such corporation, political subdivision, association, form or individual shall be entitled to deduct from the moneys collected from each employee the costs incurred from the extra bookkeeping necessary to record such transitions, not exceeding 2% of the amount of money so collected and paid over to the Income Tax Officer. Upon the failure of any such corporation, political subdivision, association, company firm or individual to deduct the amount of such taxes or to pay the same over the Income Tax Officer, less the cost of bookkeeping involved in such transac-

tion, as herein provided, within the time hereby required, such corporation, political subdivision, association, company, firm or individual shall forfeit and pay the amount of such tax for each such taxable individual whose taxes are not withheld and paid over, or that are withheld and are not paid over, together with a penalty of 10% added thereto, to be recovered by an action of assumpsit in a suit to be instituted by the Income Tax Officer, or by the proper authorities of the Township of East Rockhill, as debts of like amount are now by law recoverable, except that such person shall not have the benefit of any stay of execution or exemption law.

(Ord. 15, 4/25/1966, §9; as amended by A.O.)

§24-310. Payments and Refunds.

The Income Tax Officer or his agent is hereby authorized to accept payment of the amount of tax claimed by the Township of East Rockhill in any case where any person disputes the validity or amount of the Township of East Rockhill's claim for the tax. If it is thereafter judicially determined by a court of competent jurisdiction that there has been an overpayment to the Income Tax Officer or his agent, the amount of the overpayment shall be refunded or credited to the taxpayer or employer who paid same.

(Ord. 15, 4/25/1966, §10)

§24-311. Appointment of Income Tax Officer.

The Board of the Township of East Rockhill shall, by resolution hereafter to be adopted, designate such person, persons, firm or corporation as Income Tax Officer, at such rate of compensation as it shall deem appropriate, whose term shall expire as designated in the appointing resolution. The term of the appointment shall be set forth in the appointing resolution. The Township of East Rockhill and the Income Tax Officer may contract with an agent and delegate thereto the powers and duties prescribed in this Part 3A for the Income Tax Officer. The designated Income Tax Officer shall have the powers and duties as set forth in this Part 3A and such other powers as may subsequently be delegated to him by separate resolutions of the Board of Supervisors of the Township of East Rockhill.

(Ord. 15, 4/25/1966, §11)

§24-312. Reciprocal Agreements.

The Board of supervisors of the Township of East Rockhill may enter into reciprocal agreements with other political subdivisions pertaining to the collection of tax moneys from residents who work outside the Township of East Rockhill or nonresidents of the Township of East Rockhill who work within the Township of East Rockhill and for the payment and transfer between the said political subdivision of the tax monies which are properly due and owing to the political subdivisions.

(Ord. 15, 4/25/1966, §12)

§24-313. Payment of Tax to Other Political Subdivision or States As Credit or Deduction; Withholding Tax.

1. Payment of any tax to any other political subdivision pursuant to an ordinance or resolution passed or adopted prior to the effective date of Act 511 of 1965, the Local Tax Enabling Act of 1965, shall be credited to and allowed as a deduction from the liability of taxpayer for any tax imposed under this Part 3A.
2. Payment of any tax on salaries, wages, commissions, other compensation or on net profits of business, professions or other activities to any other political subdivision by residents thereof pursuant to an ordinance or resolution passed or adopted under the authority of Act 511 of 1965, the Local Tax Enabling Act of 1965, shall be credited to and allowed as a deduction from the liability of such persons for any tax imposed under this Part 3A.
3. Payment of any tax on income to any other political subdivision by residents thereof pursuant to an ordinance or resolution passed or adopted under the authority of Act 511 of 1965, the Local Tax Enabling Act of 1965, shall, to the extent that such income includes salaries, wages, commissions, other compensation or net profits of businesses, professions or other activities, but in such proportion as hereinafter set forth, be credited to and allowed as a deduction from the liability of such person for any tax imposed under this Part 3A.
4. Payment of any tax on income to any state or to any other political subdivision thereof by residents thereof, pursuant to any state or local law, shall, to the extent that such income includes salaries, wages, commissions, or other compensation or net profits of businesses, professions or other activities but in proportions as hereinafter set forth, be credited to and allowed as a deduction from the liability of such person for any tax imposed under this Part 3A if residents of the political subdivision in Pennsylvania receive credits and deductions of a similar kind to a like degree from the tax on income imposed by other State or political subdivision thereof.
5. Payment of any tax on income to any state other than Pennsylvania or to any political subdivision located outside the boundaries of this Commonwealth, by residents of a political subdivision located in Pennsylvania, shall, to the extent that such income includes salaries, wages, commission, or other compensation or net profits of businesses, professions or other activities, but in such proportions as hereinafter set forth, be credited to and allowed as a deduction from the liability of such person for any tax imposed under this Part 3A.
6. When a credit or a deduction is allowable in any of the several cases hereinabove provided, it shall be allowed in proportion to the concurrent periods for which

taxes are imposed by the other state or respective political subdivision, but not in excess of the amount previously paid for a concurrent period.

(Ord. 15, 4/25/1966, §13)

§24-314. Applicability.

1. The tax imposed by this Part shall not apply:
 - A. **Constitutional Limitation.** To any person as to whom it is beyond the legal power of the Township of East Rockhill to impose the tax herein provided for under the Constitution of the United States and the Constitution and laws of the Commonwealth of Pennsylvania.
 - B. **Nonprofit Organizations.** To any institution or organization operated for public, religious, educational or charitable purposes, to any institution or organization not organized or operated for private profit or to a trust or a foundation established for any of the said purposes.
 - C. **Corporation.** To the net profits of any corporation which is subject to the Pennsylvania corporation net income tax or exempt from the Pennsylvania corporate net income tax and any foreign corporation which is subject to the Pennsylvania franchise tax or exempt from the Pennsylvania franchise tax.
2. This section shall not be construed to exempt any person who is an employer from the duty of collecting the tax at source from his employees and paying the amount collected to the Township of East Rockhill under the provisions of this Part 3A.

(Ord. 15, 4/25/1966, §14)

§24-315. Fines and Penalties for Violation.

1. **Failure to Declare Return or Pay Tax.** Any person who fails, neglects or refuses to make any declaration or return required by this Part, any employer who fails, neglects or refuses to register or to pay the tax deducted from his employees or fails, neglects or refuses to deduct or withhold the tax from his employees, any person who refuses to permit the Income Tax Officer or any agent designated by him to examine his books, records, and papers, and any person who knowingly makes any incomplete, false or fraudulent return or attempts to do anything whatsoever to avoid the full disclosure of the amount of his net profits or earned income in order to avoid the payment of the whole or any part of the tax imposed by this Part 3A shall, upon conviction thereof, be sentenced to pay a fine of not more than \$500 for each offense and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days.

TAXATION, SPECIAL

2. Divulging Confidential Information. Any person who divulges any information which is confidential under the provisions of this Part 3A shall, upon conviction thereof, be sentenced to pay a fine of not more than \$500 and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days.
3. Penalties Cumulative. The penalties imposed under this section shall be in addition to any other penalty imposed by any other section of this Part 3A.
4. Duty to Obtain Forms. The failure of any person to receive or procure forms required for making the declaration or returns required by this part shall not excuse him from making such declaration or return.

(Ord. 15, 4/25/1966, §15; as amended by A.O.)

§24-316. Authority.

This Part 3A and the tax imposed hereby is adopted under and by virtue of the authority contained in the Act of the General Assembly, approved December 31, 1965, Act 511, P.L., 53 P.S. §6901 et seq.

(Ord. 15, 4/25/1966, §16)

B. Earned Income and Net Profits Tax for the Purpose of Land Preservation.

§24-321. Incorporation of Statutes.

The provisions of the Open Space Lands Act, Act 153 of 1996, 32 P.S. §5001 et seq., as hereafter amended, supplemented, modified or reenacted by the General Assembly of Pennsylvania, are incorporated herein by reference thereto. Additionally, the provisions of Section 6913 of the Local Tax Enabling Act, P.L. 1257, No. 511, December 31, 1965, 53 P.S. §6901-24 (1982), as hereafter amended, supplemented, modified or reenacted by the General Assembly of Pennsylvania, are incorporated herein by reference thereto; except that, to the extent that options are provided in said Section 6913, this Part 3B designates the option selected, and except as and where hereinafter specifically provided otherwise.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

§24-322. Imposition of Tax.

1. The tax on earned income and net profits used to retire the indebtedness incurred in purchasing interests in real property or in making additional acquisitions of real property for the purpose of securing open space pursuant to East Rockhill Township Ordinance 187 (codified in §§24-321 to 24-327) and the Open Space

Lands Act, Act 153 of 1996, 32 P.S. §5001 et seq., is hereby increased to 0.250% and is hereby imposed on:

- A. Salaries, wages, commissions and other compensation earned or paid on or after January 1, 2007, by residents of East Rockhill Township; and on
 - B. The net profits earned on or after January 1, 2007, of businesses, professions or other activities conducted by such residents.
2. The tax levied under Subsection 1A of this section shall relate to and be imposed upon salaries, wages, commissions and other compensation paid by an employer or on its behalf to any person who is employed by or renders services to it. The tax levied under Subsection 1B of this section will relate to and be imposed on the net profits of any business, profession or enterprise carried on by any person as owner or proprietor, either individually or in an association with some other person or persons.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

§24-323. Declarations, Returns and Payment of Tax.

1. Every taxpayer whose net profits are subject to the tax imposed by this Part 3B shall file a declaration of his/her net profits for the current year and shall pay the tax due thereon in annual installments, all as provided in Section 6913, IIIA(1)(i) of the Local Tax Enabling Act, or estimated net profits for the current year and shall pay the tax due thereon in quarterly installments, all as provided in Section 6913, IIIA(1)(ii), of the Local Tax Enabling Act.
2. Every taxpayer whose earnings are subject to the tax imposed by this Part 3B shall make and file final returns and pay to the officer the balance of the tax due, as provided in Section 6913, IIIB, of the Local Tax Enabling Act.
3. Every taxpayer whose earnings are not subject to collection at the source shall file with the officer quarterly returns and shall pay quarter-annually the amount of tax shown as due on such returns, all as provided in Section 6913, IIIB(2), of the Local Tax Enabling Act.
4. The officer is hereby authorized to provide by regulation, subject to the approval of the East Rockhill Township Board of Supervisors, that the return of an employer or employers, showing the amount of tax deducted by said employer or employers from the salaries, wages or commissions of any employee and paid by him or them to the officer, shall be accepted as the return required of any employee whose sole income subject to the tax or taxes under this Part 3B, is such salary, wages or commissions.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

§24-324. Collection at Source.

Every employer having an office, factory, workshop, branch, warehouse, or other place of business within East Rockhill Township who employs one or more persons, other than domestic servants, for a salary, wage, commission or other compensation, shall register with the officer, deduct the tax imposed by this Part 3B on the earned income of its employee or employees and shall make and file quarterly returns and final returns and pay quarterly to the officer the amount of taxes deducted, all as provided in Section 6913, IV, of the Local Tax Enabling Act.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

§24-325. Administration.

The earned income tax officer shall be the same person or corporation appointed by the Board of Supervisors of East Rockhill Township to collect the existing general revenue earned income tax.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

§24-326. Interest and Penalties for Late Payment.

If for any reason the tax is not paid when due, interest at the rate of six percent per annum on the amount of said tax, and an additional penalty of one-half of one percent of the amount of the unpaid tax for each month or fraction thereof which the tax remains unpaid, shall be added and collected. Where suit is brought for recovery of any such tax, the person liable therefor shall, in addition, be liable for the costs of collection, including attorneys' fees, and the interest and penalties herein imposed.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

§24-327. Penalties for Violations.

1. Any person who fails, neglects or refuses to make any declaration or return required by this Part 3B, any employer who fails, neglects or refuses to register or to pay the tax deducted from his employees or fails, neglects, or refuses to deduct or withhold the tax from his employees, any person who refuses to permit the officer or any agent designated by him to examine his books, records, and papers, and any person who knowingly makes any incomplete, false or fraudulent return or attempts to do anything whatsoever to avoid the full disclosure of the amount of his/her net profits or earned income in order to avoid the payment of the whole or any part of the tax imposed by this Part 3B, shall, upon conviction before any District Justice or court of competent jurisdiction, be sentenced to pay a fine of not

more than \$500 for each offense, and costs, and in default of payment, be imprisoned for a period not exceeding 30 days.

2. Any person who divulges any information which is confidential under the provisions of this Part 3B shall, upon conviction therefor before any District Justice or court of competent jurisdiction, be sentenced to pay a fine of not more than \$500 for each offense, and costs, and in default of payment, be imprisoned for a period not exceeding 30 days.
3. The penalties imposed under this section shall be in addition to any other penalty imposed by any other section of this Part 3B or any other ordinance.
4. The failure of any person to receive or procure forms required for making the declaration or returns required by this Part 3B shall not excuse him/her from making such declaration or return.

(Ord. 187, 11/16/1999; as amended by Ord. 224, 9/19/2006)

PART 4
(RESERVED²)

² Editor's Note: Former Part 4, Tax Exemptions, adopted by Ord. 32, 8/14/1972, as amended, was repealed by Ord. 231, 4/17/2007, Art. II. See now §24-606.

PART 5

LOCAL TAXPAYERS BILL OF RIGHTS

§24-501. Rules and Regulations.

1. The Rules and Regulations as adopted by the Pennridge School District, attached hereto and incorporated herein as Exhibit A, are hereby approved and adopted by reference.³
2. The Disclosure Statement, as adopted by the Pennridge School District, attached hereto and incorporated herein as Exhibit B, is hereby approved and adopted by reference.
3. The form of Petition for Appeal and Refund, as adopted by the Pennridge School District, is hereby approved and adopted by reference.
4. The Board of Supervisors of East Rockhill Township hereby determines that the administrative appeals procedures relating to petitions for appeal and refund submitted by taxpayers in connection with the assessment, determination or refund of the Township's eligible taxes shall be undertaken by the Pennridge School District's Tax Administrator.
5. The Board of Supervisors of East Rockhill Township hereby designates the Pennridge School District Tax Administrator as the hearing officer for the Township's eligible taxes.
6. The administrative appeal procedures set forth in the Rules and Regulations as described on the attached Exhibit A are hereby approved and adopted.
7. This Part 5 shall become effective in accordance with the provisions of Act 50 and shall be applicable as to eligible taxes as of January 1, 1999

(Res. 99-9, 4/20/1999)

³ Editor's Note: Appendix A is included at the end of this chapter.

PART 6

LOCAL SERVICES TAX

§24-601. Levy and Collection of Tax.

The East Rockhill Township Board of Supervisors, for the purpose of providing revenue for emergency services, road maintenance and construction, reductions in property taxes and property tax relief, does hereby impose on each adult resident and nonresident employed and/or engaged in an occupation within the jurisdiction of East Rockhill Township a local services tax at a flat rate, which said tax shall be in addition to all other taxes levied and assessed by the Township pursuant to any other laws of the Commonwealth of Pennsylvania.

(Ord. 236, 12/18/2007)

§24-602. Amount of Tax.

Beginning on the effective date of this Part,⁴ each adult resident or nonresident employed within the boundaries of East Rockhill Township shall be required to pay an annual local services tax in an amount of \$52.

(Ord. 236, 12/18/2007)

§24-603. Discount, Flat Rate and Penalty Periods.

The local services tax shall not be subject to the imposition of the Local Tax Enabling Act⁵ discount and penalty provisions in regard to the levy and collection of this local services tax.

(Ord. 236, 12/18/2007)

§24-604. Manner of Collection of Tax.

1. The tax imposed by this Part shall be collected by the duly elected or appointed Tax Collector of East Rockhill Township (as directed by the Board of Supervisors) in accordance with state and local regulations and in the same manner as other Township taxes. It shall be the duty of each adult employed within East Rockhill Township to pay the local services tax in accordance with 53 P.S. §6902. Each individual covered under this Part and required to pay the local services tax shall be assessed a pro-rata share of the tax for each payroll period in which the individual

⁴ Editor's Note: This Part became effective on 1/1/2008.

⁵ Editor's Note: See 53 P.S. §6901 et seq..

TAXATION, SPECIAL

is engaged in an occupation within the Township. The pro-rata share of the tax assessed on the individual for a payroll period shall be determined by dividing the combined rate of the local services tax levied for the calendar year (\$52) by the number of payroll periods established by the employer for the calendar year. For purposes of determining the pro-rata share, an employer shall round down the amount of the tax collected each payroll period to the nearest one-hundredth of a dollar. The collection of the local services tax shall be made on a payroll-period basis for each payroll period in which the person is engaged in an occupation, except as otherwise provided for within 53 P.S. §6902.

2. Each employer within East Rockhill Township, as well as those employers situated outside East Rockhill Township but who engage in business within East Rockhill Township, shall withhold this local services tax from the compensation of his/her employees who are subject to the tax. This local services tax shall be withheld from each employee that is subject to the local services tax, and said tax shall be collected by the duly elected or appointed Tax Collector of East Rockhill Township (as directed by the Board of Supervisors) in accordance with state and local regulations and in the same manner as other Township taxes.

(Ord. 236, 12/18/2007)

§24-605. Warrant for Collection of Tax.

The entry of the tax in the tax duplicate and the issuance of the said duplicate to the Tax Collector shall constitute his warrant for the collection of the tax as hereby assessed. Each employer within East Rockhill Township shall cooperate with the Township in identifying those people employed within the Township.

(Ord. 236, 12/18/2007)

§24-606. Exemptions.

1. The following persons shall be exempt from the local services tax:
 - A. Any person who served in any war or armed conflict in which the United States was engaged and was honorably discharged or released under honorable circumstances from active duty, if, as a result of military service, the person is blind, paraplegic or a double or quadruple amputee or has a service-connected disability declared by the United States Veterans' Administration or its successor to be a total 100% permanent disability.
 - B. Any person who serves as a member of a reserve component of the armed forces and is called to active duty at any time during the taxable year.

- C. Any person who earns less than \$12,000 in earned income and net profits from all sources within East Rockhill Township for the calendar year in which the local services tax is levied.
2. A person seeking to claim an exemption from the local services tax may annually file an exemption certificate with East Rockhill Township, the Township Tax Collector and with the person's employer affirming that the person reasonably expects to receive earned income and net profits from all sources within East Rockhill Township of less than \$12,000 in the calendar year for which the exemption certificate is filed. The exemption certificate shall have attached to it a copy of all the employee's last pay stubs or W-2 forms from employment within East Rockhill Township for the year prior to the fiscal year for which the employee is requesting to be exempted from the local services tax. Upon receipt of the exemption certificate and until otherwise instructed by East Rockhill Township, the employer shall not withhold the tax from the person during the calendar year or the remainder of the calendar year for which the exemption certificate applies. Employers shall ensure that the exemption certificate forms, which are provided by the Department of Community and Economic Development, are readily available to employees at all times and shall furnish each new employee with a form at the time of hiring. For purposes of this section, "earned income" and "net profits" shall have the same meanings as in Section 13 of the Local Tax Enabling Act, as amended, 53 P.S. §6913, as amended.
 3. With respect to a person who claimed an exemption for a given calendar year from the local services tax, upon notification to an employer by the person or by East Rockhill Township that the person has received earned income and net profits from all sources within the Township equal to or in excess of \$12,000 in that calendar year or that the person is otherwise ineligible for the tax exemption for that calendar year, or upon an employer's payment to the person of earned income within the Township in an amount equal to or in excess of \$12,000 in that calendar year, an employer shall withhold the local services tax from the person under Subsection 4 below.
 4. If a person who claimed an exemption for a given calendar year from the local services tax becomes subject to the tax for the calendar year under Subsection 3 above, the employer shall withhold the tax for the remainder of that calendar year. The employer shall withhold from the person, for the first payroll period after receipt of the notification under Subsection 3, a lump sum equal to the amount of tax that was not withheld from the person due to the exemption claimed by the person under this subsection, plus the per-payroll amount due for that first payroll period. The amount of tax withheld per payroll period for the remaining payroll periods in that calendar year shall be the same amount withheld for other employees. In the event that the employment of a person subject to withholding of the tax under this subsection is subsequently severed in that calendar year, the person shall be liable for any outstanding balance of tax due, and the Township may pursue collection under this Part.

(Ord. 236, 12/18/2007)

TAXATION, SPECIAL

§24-607. Priority of Claim.

1. No person shall be subject to the payment of the local services tax by more than one political subdivision during each payroll period.
2. The situs of the tax shall be the place of employment on the first day the person becomes subject to the tax during each payroll period.
3. In the event that a person is engaged in more than one occupation, that is, concurrent employment, or an occupation which requires the person working in more than one political subdivision during a payroll period, the priority of claim to collect the local services tax shall be in the following order: first, the political subdivision in which a person maintains the person's principal office or is principally employed; second, the political subdivision in which the person resides and works, if the tax is levied by that political subdivision; and third, the political subdivision in which a person is employed and which imposes the tax nearest in miles to the person's home.
4. In the case of concurrent employment, an employer shall refrain from withholding the local services tax if the employee provides a recent pay statement from a principal employer that includes the name of the employer, the length of the payroll period and the amount of the local services tax withheld and a statement from the employee that the pay statement is from the employee's principal employer and the employee will notify other employers of a change in principal place of employment within two weeks of its occurrence.

(Ord. 236, 12/18/2007)

§24-608. Refunds.

A person claiming the right to a refund for the local services tax shall follow the regulations governing refunds in accordance with 53 Pa.C.S.A. §§8425 and 8426, as amended, and/or any Township ordinance or resolution governing said refunds.

(Ord. 236, 12/18/2007)

§24-609. Penalty for Violation.

Any resident or nonresident who fails or refuses to pay the local services tax or to render accurate information to an assessor concerning the status of his/her employment or age, shall, upon conviction thereof, be sentenced to pay a fine of not more than \$600 and, in default of payment, to imprisonment for a term not to exceed 30 days. The Tax Collector and Township may also proceed with all other available remedies, including

but not limited to filing an action for the recovery of any tax due or unpaid under this Part, together with interest and penalty.

(Ord. 236, 12/18/2007)