

**TOWNSHIP OF PENN
SNYDER COUNTY, PENNSYLVANIA**

ORDINANCE NO. 2015-05

AN ORDINANCE OF PENN TOWNSHIP, SNYDER COUNTY, PENNSYLVANIA, REPLACING ORDINANCE 2007-09, AND IMPOSING A LOCAL SERVICES TAX FOR GENERAL REVENUE PURPOSES ON ALL INDIVIDUALS FOR THE PRIVILEGE OF ENGAGING IN OCCUPATIONS WITHIN THE TOWNSHIP OF PENN, SNYDER COUNTY, PENNSYLVANIA, AT THE RATE OF \$52.00 PER YEAR; PROVIDING FOR ITS COLLECTION; IMPOSING ON EMPLOYERS THE DUTY OF COLLECTING SAID TAX FROM EVERY INDIVIDUAL IN THEIR EMPLOY SUBJECT TO SAID TAX AND REMITTING AND PAYING OVER THE SAME TO THE RECEIVER OF TAXES; CONFERRING AND IMPOSING POWERS AND DUTIES OF ADMINISTRATION ON THE RECEIVER OF TAXES; AND IMPOSING PENALTIES FOR THE VIOLATION THEREOF.

WHEREAS, the Board of Supervisors of the Township of Penn, Snyder County, Pennsylvania, under authority of the Pennsylvania Local Tax Enabling Act of December 31, 1965 (P.L. 1257) and its amendments, enacts and ordains as follows:

SECTION 1. DEFINITIONS. The following words and phrases, when used in this Ordinance, shall have the meanings ascribed to them in this section, except where the context or language clearly indicates or requires a different meaning.

- (a) "Individual" shall mean any person, male or female, engaged in any occupation within the Township of Penn.
- (b) "Occupation" shall mean any trade, profession, business, or undertaking of any type, kind or character, including services, domestic or other, carried on or performed within the Township of Penn for which compensation is charged or received whether by means of salary, wages, commissions or fees for services rendered or by means of profits from business conducted by a self-employed person.
- (c) "Employer" shall mean an individual, partnership, association, corporation, governmental body, agency, or other entity employing one or more persons on a salary, wage, commission or other compensation basis, including a self-employed person.
- (d) "Tax" shall mean the Local Services Tax in the amount of Fifty-Two (\$52.00) Dollars levied by this Ordinance.
- (e) "Receiver of Taxes" shall mean the Secretary of the Township of Penn under whose direction this tax shall be enforced.
- (f) "Township of Penn" shall mean the area within the township limits of the Township of Penn, Snyder County, Pennsylvania.
- (g) "He", "His", or "Him" shall mean and indicate the singular and plural number as well as male, female and neutral gender.

SECTION 2. LEVY. The Township of Penn hereby levies and imposes a local services tax on each individual engaged in an occupation within the Township of Penn for each calendar year, except those exempted as herein below provided, during the effective term of this Ordinance. This Tax is in addition to all other taxes of any kind or nature heretofore levied by the Township of Penn.

SECTION 3. AMOUNT OF TAX. Beginning with the effective date of this Ordinance, each individual engaged in an occupation within the Township of Penn during the effective term of this Ordinance shall pay a local services tax of Fifty-Two (\$52.00) Dollars per year, on a calendar year basis.

SECTION 4. DUTY OF EMPLOYERS.

1. Each employer within the Township of Penn and each employer situated outside the Township of Penn who engages in business within the Township of Penn is hereby charged with the duty of collecting from each of his employees engaged by him and performing an occupation for him within the Township of Penn the said tax of Fifty-Two (\$52.00) Dollars per year and making a return and payment thereof to the Receiver of Taxes. Further, each employer is hereby authorized to deduct this tax from each employee in his employ, whether said employee is paid by salary, wages or commission and whether part or all of such occupation is performed within the Township of Penn.
2. A person subject to the tax shall be assessed by the employer a pro rata share of the tax for each payroll period in which the person is engaging in an occupation. The pro rata share of the tax assessed on the person for a payroll period shall be determined by dividing the rate of the tax levied for the calendar year by the number of payroll periods established by the employer for the calendar year. For the 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. Collection of the tax shall be made on a payroll period basis for each payroll period in which the person is engaging in an occupation, except as provided in Paragraph (4) of this section.
3. No person shall be subject to the payment of the Local Services Tax by more than one political subdivision during each payroll period.
4. In the case of concurrent employment, an employer shall refrain from withholding the 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 tax withheld and the 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 (2) weeks of its occurrence. The employee's statement shall be provided on the form approved by the Receiver of Taxes.
5. The tax shall be no more than Fifty-Two (\$52.00) Dollars on each person for each calendar year, irrespective of the number of political subdivisions within which a person may be employed. The Township of Penn shall provide a taxpayer a receipt of payment upon request by the taxpayer.

SECTION 5. Individuals engaged in more than one (1) occupation or employed in more than one (1) political subdivision:

- (a) 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. In the event a person is engaged in more than one (1) occupation, that is concurrent employment, or an occupation which requires the person working in more than one (1) political subdivision during a payroll period, the priority of claim to collect the Local Services Tax shall be in the following order:
1. First, the political subdivision in which the person maintains his or her principal office or is principally employed;
 2. Second, the political subdivision in which the person resides and works if the tax is levied by that political subdivision;
 3. Third, the political subdivision in which a person is employed and which imposes the tax nearest in miles to the person's home.
- (b) In case of a dispute, a tax receipt of the taxing authority for that calendar year declaring that the taxpayer has made prior payments constitutes prima facie certification of payment to all other political subdivisions.

SECTION 6. RETURNS. Each employer shall prepare and file a return showing a computation of the tax on forms to be supplied to him by the Receiver of Taxes, Penn Township Building, 228 Clifford Road, Selinsgrove, Pennsylvania. Each employer in filing this return and making payment of the tax withheld from his employees shall be entitled to retain a commission calculated at the rate of two percent (2%) of the gross tax due and payable, provided that such tax is collected and paid over by the employer on or before the dates hereinafter set forth. It is further provided that if the employer fails to file said return and pay said tax whether or not he makes collection thereof from the salary, wages or commissions paid by him to said employee, the employer shall be responsible for the payment of the tax in full without deducting a commission and as though the tax had originally been levied against him.

SECTION 7. DATES FOR DETERMINING TAX LIABILITY AND PAYMENT. Each employer shall file his return and make payment of the tax to the Receiver of Taxes on or before April 15, July 15, October 15 and January 15 of each year.

SECTION 8. SELF-EMPLOYED INDIVIDUALS. Each self-employed individual engaged in an occupation within the Township of Penn shall be required to comply with this Ordinance and pay to the Receiver of Taxes a pro rata portion of the tax on or before April 15, July 15, October 15 and January 15 of each ye

SECTION 9. EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS RESIDING OUTSIDE THE TOWNSHIP OF PENN. All employers and self-employed individuals residing or having their place of business outside the Township of Penn but who themselves or whose employees engage in an occupation within the Township of Penn are by virtue thereof bound by and subject to the provisions, penalties and regulations promulgated under this Ordinance. Furthermore, any employee of a non-resident employer or any individual engaged in an occupation within the Township of Penn

may, for the purpose of this Ordinance, be considered a self-employed person, and in the event this tax is not paid, the Township of Penn shall have the option of proceeding against either the employer or employee for the collection of this tax as hereinafter provided.

SECTION 10. ADMINISTRATION OF TAX.

- (a) It shall be the duty of the Receiver of Taxes to accept and receive payments of this tax and to keep a record thereof showing the amount received by him from each employer or self-employed person together with the date the tax was received.
- (b) The Receiver of Taxes is hereby charged with the administration and enforcement of this Ordinance and is hereby charged and empowered to adopt rules and regulations relating to any matter pertaining to the administration and enforcement of this Ordinance. Any person aggrieved by any decision of the Receiver of Taxes shall have the right to appeal to the Court of Common Pleas of Snyder County as in other cases provided.
- (c) The Receiver of Taxes is hereby authorized to examine the books and payroll records of any employer in order to verify the accuracy of any return made by an employer, or, if no return was made, to ascertain the tax due. Each employer is hereby directed and required to give the Receiver of Taxes the means, facilities and opportunity for such examination.

SECTION 11. SUITS FOR COLLECTION.

- (a) In the event that any tax under this Ordinance remains due or unpaid thirty (30) days after the due dates above set forth, the Receiver of Taxes may sue for the recovery of any such tax due or unpaid under this Ordinance together with interest and penalty.
- (b) If for any reason the tax is not paid when due, interest at the rate of ten percent (10%) on the amount of said tax shall be calculated beginning with the due date of said tax and a penalty of twenty-five percent (25%) shall be added to the flat rate of said tax for non-payment thereof. Where suit is brought for recovery of this tax, the individual liable therefore shall, in addition, be responsible and liable for the costs of collection, including reasonable attorney fees.

SECTION 12. FINE AND PENALTY. Whoever makes any false or untrue statement, on any return required by this Ordinance, or who refuses inspection of books, records or accounts in his custody and control setting forth the number of employees subjected to this tax who are in his employment, or whoever fails or refuses to file any return required by this Ordinance shall, upon conviction before any magisterial District Judge be sentenced to pay a fine of not less than Three Hundred (\$300.00) Dollars nor more than Six Hundred (\$600.00) Dollars for each offense and in default of payment of said fine be imprisoned in the Snyder County Prison for a period not exceeding thirty (30) days for each offense. It is further provided that in the action to enforce the fine and penalty herein provided may be instituted against any person in charge of the business of any employer who has failed or refused to file a return required by this Ordinance.

SECTION 13. EXEMPT INDIVIDUALS. The following persons shall be exempt from this Local Services Tax:

- (a) Any person who served in any war or armed conflict in which the United States was engaged and is honorably discharged or released under honorable circumstances from active service if, as a result of military service, the person is blind, paraplegic or double or quadruple amputee or has a service connected disability declared by the United States Veterans Administration or its successor to be a total one hundred percent permanent disability.
- (b) Any person who served as a member of a reserve component of the armed forces and is called to active duty at any time during the taxable year. For purposes of this subsection, "Reserve Component of the Armed Forces" shall mean the United States Army Reserve, the United States Navy Reserve, United States Marine Corps Reserve, United States Coast Guard Reserve, United States Air Force Reserve, the Pennsylvania Army National Guard of the Pennsylvania Air National Guard.
- (c) Any person whose total earned income and net profits from all sources within the Township of Penn is less than Twelve Thousand (\$12,000.00) Dollars for any calendar year in which the tax is levied, is exempt from the payment of the tax for that calendar year.

SECTION 14. PROCEDURE TO CLAIM EXEMPTION.

- (a) A person seeking to claim an exemption from the Local Services Tax may annually file an Exemption Certificate, and submit all required documentation, within the Township of Penn and with the person's employer.
- (b) A person seeking to claim an exemption from the Local Services Tax may annually file an Exemption Certificate within the Township of Penn and with the person's employer affirming that the person reasonably expects to receive earned income and net profits from all sources within the Township of Penn of less than Twelve Thousand (\$12,000.00) Dollars in the calendar year for which the Exemption Certificate is filed. The Exemption Certificate shall have attached to it a copy of the employee's last pay stubs or W-2 forms from employment within the Township of Penn for the year prior to the fiscal year for which the employee is requesting to be exempted from the tax. Upon receipt of the Exemption Certificate and until otherwise instructed by the Township of Penn or except as required by clause (c), 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 are readily available to employees at all times and shall furnish each new employee with a form at the time of hiring. The Exemption Certificate form shall be the uniform form provided by the Township of Penn.
- (c) With respect to a person who claimed an exemption for a given calendar year from the tax, upon notification to an employer by the person or by the Township of Penn that the person has received earned income and net profits from all sources within the Township of Penn equal to or in excess of Twelve Thousand (\$12,000.00) Dollars 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 of Penn in an amount equal to or in excess of Twelve Thousand (\$12,000.00) Dollars in that calendar year, an employer shall withhold the Local Services Tax from the person as required in this Ordinance.

- (d) If a person who claimed an exemption for a given calendar year from the tax becomes subject to the tax for the calendar year under clause (c), 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 clause (c), a lump sum equal to the amount of the tax that was not withheld from the person due to the exemption claim by the person under this subsection, plus the per payroll amount due for that first payroll period. The amount of tax withheld for payroll period for the remaining payroll periods in that calendar year shall be the same amount withheld for other employees. In the event the employment of a person subject to withholding of the tax under this clause is subsequently severed in that calendar year, the person shall be liable for any outstanding balance of tax due, and the Township of Penn may pursue collection under this Ordinance.

SECTION 15. REFUNDS. An Individual, who is eligible for exemption, requesting a refund shall complete an Application for Refund from Local Services Tax, and submit all required documentation, set forth on a form provided by the Receiver of Taxes. No refunds shall be made for amounts overpaid in a calendar year that do not exceed one dollar (\$1). The Receiver of Taxes shall determine eligibility for exemption and provide refunds to exempt persons. The Township shall adopt regulations, by Resolution, for processing refund claims. The same shall be consistent with the Local Taxpayer's Bill of Rights (53 Pa.C.S.A. Sec. 8425, 8426).

SECTION 16. USE OF TAX. The tax collected under this Ordinance may be solely used for the following purposes as the same may be allocated by the Township of Penn from time to time: (1) emergency services, which shall include emergency medical services, police services and/or fire services; (2) road construction and/or maintenance; (3) reduction of property taxes; (4) property tax relief through implementation of a homestead and farmstead exclusion in accordance with 53 Pa.C.S. Ch. 85, Subch. F (relating to homestead property exclusion); or (5) other manner permitted by law. The Township of Penn shall use no less than twenty-five percent (25%) of the funds derived from the tax for emergency services.

SECTION 17. VALIDITY. The provisions of this Ordinance are severable and if any of its provisions shall be held invalid or unconstitutional, the decisions of the court shall not affect or invalidate any of the remaining provisions. It is hereby declared to be the legislative intent that this Ordinance would have been adopted if such illegal, invalid or unconstitutional provisions had not been included herein.

SECTION 18. SAVING CLAUSE.

- (a) Nothing contained in this Ordinance shall be construed to empower the Township of Penn to levy and collect the tax hereby imposed on any occupation not within the taxing power of the Township of Penn under the Constitution of the United States and the laws of the Commonwealth of Pennsylvania.
- (b) If the tax hereby imposed under the provisions of this Ordinance shall be held by any court of competent jurisdiction to be in violation of the Constitution of the United States or of the laws of the Commonwealth of Pennsylvania as to any individual, the decision of the Court shall not affect or impair (1) the right to impose said tax on other individuals and collect the same there from, or (2) the validity of the tax so imposed on other individuals, as herein provided.

SECTION 19. AUTHORIZATION. This Ordinance and the tax imposed hereby is adopted and enacted under and by virtue of the authority contained in The Local Tax Enabling Act of December 31, 1965 (P.L. 1257) as amended.

This Ordinance shall be effective as of January 1, 2016.


ORDINATED AND ENACTED THIS 8th day of October, 2015.



PENN TOWNSHIP
BOARD OF SUPERVISORS



Jon Payne, Chairman



Fred Ulrich, Supervisor



Brenda Moyer, Supervisor