

WEST PIKELAND TOWNSHIP

ORDINANCE NO. 11 1972

AN ORDINANCE ENACTED PURSUANT TO THE AUTHORITY GRANTED BY THE LOCAL TAX ENABLING ACT, ACT 511 OF DECEMBER 31, 1965 P.L. 1257, SAID ORDINANCE TO BE KNOWN AS THE EARNED INCOME TAX ORDINANCE OF WEST PIKELAND TOWNSHIP, IMPOSING A TAX FOR GENERAL REVENUE PURPOSE ON SALARIES, WAGES, COMMISSIONS, BONUSES, INCENTIVE PAYMENTS, FEES, TIPS AND OTHER COMPENSATION RECEIVED DURING THE PERIOD BEGINNING OCTOBER 1, 1972, OR THE EFFECTIVE DATE OF THIS ORDINANCE, WHICHEVER IS LATER, AND CONTINUING FOR EACH TAXABLE YEAR THEREAFTER, BY RESIDENTS OF THE TOWNSHIP OF WEST PIKELAND, AND ON SALARIES, WAGES, COMMISSIONS, BONUSES, INCENTIVE PAYMENTS, FEES TIPS, AND OTHER COMPENSATION RECEIVED DURING SAID PERIOD BY NON-RESIDENTS OF THE TOWNSHIP OF WEST PIKELAND FOR WORK DONE OR SERVICES PERFORMED OR RENDERED IN THE TOWNSHIP OF WEST PIKELAND AND ON THE NET PROFITS RECEIVED DURING SAID PERIOD FROM BUSINESSES, PROFESSIONS OR OTHER ACTIVITIES CONDUCTED BY RESIDENTS OF THE TOWNSHIP OF WEST PIKELAND, AND THE NET PROFITS RECEIVED DURING SAID PERIOD FROM BUSINESSES, PROFESSIONS, OR OTHER ACTIVITIES CONDUCTED IN THE TOWNSHIP OF WEST PIKELAND BY NON-RESIDENTS; REQUIRING THE FILING OF DECLARATIONS AND RETURNS AND THE GIVING OF INFORMATION BY EMPLOYERS AND BY THOSE SUBJECT TO THE TAX, IMPOSING ON EMPLOYERS THE DUTY OF COLLECTING THE TAX AT SOURCE, PROVIDING FOR THE ADMINISTRATION AND ENFORCEMENT OF THE ORDINANCE AND IMPOSING PENALTIES FOR THE VIOLATION THEREOF.

BE IT ORDAINED by the Supervisors of the Township of West Pikeland, County of Chester, State of Pennsylvania, under authority of Act #511 of 1965 effective January 1, 1966 (hereinafter referred to as the "Enabling Act") as follows:

SECTION I - SHORT TITLE - This ordinance shall be known as "The Earned Income Tax Ordinance of 1972 of West Pikeland Township."

SECTION II - DEFINITIONS - Except as otherwise indicated by the context, the following definitions shall apply in addition to those set forth in the Enabling Act: Use of the masculine gender shall include feminine and neuter and reference to the masculine singular shall include the plural.

"Officer" - The person or corporation designated from time to time by resolution of the Supervisors as being responsible for the collection and reporting of the tax levied by this Ordinance.

*Marguerite S. Steady*  
Secretary

"Supervisors" - The Board of Supervisors of West Pikeland Township.

"Taxable Year" - January 1 to December 31 of any year, provided that any taxpayer whose books are maintained on a different fiscal year basis may, with the consent of the Officer, report and pay taxes on the basis of such fiscal year, with suitable adjustment of dates for quarterly returns as hereinafter set forth.

"Township" - The Township of West Pikeland, Chester County, Pennsylvania.

SECTION III - INCORPORATION OF STATUTE - The provisions of Sections 13 and 14 of the Local Tax Enabling Act (Act #511 of 1965), its supplements and amendments are incorporated herein by reference, except that where options are provided in said Sections 13 and 14, this Ordinance shall designate the option selected, and except that if this Ordinance shall provided to the contrary, the provisions of this Ordinance shall control.

SECTION IV - IMPOSITION OF TAX - A tax for general revenue purposes in the amount of one per cent (1%) is hereby imposed on earned income, including inter alia, salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation received by residents of the Township of West Pikeland, and on earned income, including inter alia, salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation received by non-residents of the Township of West Pikeland, for work done or services performed or rendered in the Township of West Pikeland, and on the net profits received from businesses, professions or other activities conducted by residents of the Township of West Pikeland and the net profits received from businesses, professions or other activities conducted in the Township of West Pikeland, by non-residents of West Pikeland Township, during the period beginning on the 1st day of October, A. D., 1972, or the effective date of this Ordinance, whichever is later, and continuing for each taxable year thereafter.

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Margaret S. Steady  
Secretary

SECTION V - DECLARATIONS, RETURN AND PAYMENT OF TAX:

(A) NET PROFITS

(1) FOR 1972 - Every taxpayer making net profits shall, on or before April 15, 1973, make and file with the Officer on a form prescribed or approved by the Officer, a declaration of his net profits during the period beginning October 1, 1972, or the effective date of this Ordinance, whichever is later, and ending December 31, 1972, and pay to the Officer the tax due thereon.

(2) AFTER 1972 - Every taxpayer making net profits in any year succeeding 1972 shall, on or before April 15 of 1973 and each year thereafter, make and file with the Officer of a form prescribed or approved by the Officer a declaration of his estimated net profits during the period beginning January 1 and ending December 31 of the then current year and shall pay to the Officer in four (4) equal quarterly installments the tax thereon due as follows: - the first installment at the time of filing the declaration and the other installments on or before June 15th and September 15th of the then current year and January 15th of the succeeding year.

Any taxpayer who first anticipates any net profit after April 15th of the then current year shall make and file the declaration hereinbefore required on or before June 15th or September 15th or December 31st of the then current year, whichever of these dates next follows the date on which the taxpayer first anticipates such net profit and shall pay to the Officer in equal installments the tax due thereon on or before the quarterly payment dates which remain after the filing of the declaration.

Every taxpayer shall on or before April 15th, 1974, and each succeeding year make and file with the Officer on a form prescribed or approved by the Officer a final return showing the amount of net profits earned during the period beginning January 1st and ending December 31st of the then current year, the total amount of tax due

*Margaret S. Hardy*  
Secretary

thereon and the total amount of tax paid thereon. At the time of filing the final return the taxpayer shall pay to the Officer the balance of tax due or shall make demand for refund or credit in the case of overpayment.

Any taxpayer may, in lieu of making the fourth quarterly installment of his estimated tax, elect to make and file with the Officer on or before January 31st of the succeeding year the final return hereinbefore required and pay the balance of tax due thereon.

The Officer be and is hereby authorized to provide by regulation for the making and filing of adjusted declaration of estimated net profits.

Every taxpayer who discontinues business prior to December 31st of the then current year shall, within thirty (30) days after the discontinuance of business, file his final return as herein required and pay the tax due.

(B) EARNED INCOME

(1) FOR 1972 - Every taxpayer shall, on or before April 15, 1973, make and file with the Officer on a form prescribed or approved by the Officer, a final return showing the amount of earned income, including, inter alia, salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation (other than net profits) received during the period beginning October 1, 1972, or the effective date of this Ordinance, whichever is later, and ending December 31, 1972, the total tax due thereon, the amount of tax paid thereon that has been withheld pursuant to the provisions relating to collection at the source and the balance of the tax due. At the time of filing said 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.

-4- *Marguerite S. Steady*  
*Secretary*

(2) AFTER 1972 - Every taxpayer who is employed for a salary, wage, commission or other compensation and who received any earned income (other than net profits) not subject to the provisions relating to a collection at source shall make and file with the Officer on a form prescribed and approved by the Officer a quarterly return on or before April 30, July 31st, October 31st of the then current year and January 31st of the succeeding year, setting forth the aggregate amount of earned income not subject to withholding during the three-month periods ending March 31st, June 30th and September 30th and December 31st of the then current year respectively and subject to tax with such other information as the Officer may require. Every taxpayer making such return shall at the time of filing thereof pay to the Officer the amount of tax shown as due thereon.

For each year succeeding the year 1972, every taxpayer shall make and file with the Officer a final return on a form prescribed and approved by the Officer setting forth the aggregate amount of earned income not subject to withholding during the period beginning January 1st and ending December 31st of the then current year, the amount of tax paid thereon and such other information as the Officer may require and shall pay to the Officer the balance of any tax shown as due thereon on or before April 15th of the succeeding year, or shall make demand for refund or credit in the case of overpayment.

#### SECTION VI - COLLECTION AT SOURCE

##### (A) REGISTRATION, RETURNS AND PAYMENT OF TAX

(1) Every employer having an office, factory, workshop, branch, warehouse or other place of business within the corporate limits of West Pikeland Township who employs one or more persons, other than domestic servants, for a salary, wage, commission or other compensation shall on or before October 1, 1972, or if not previously registered, shall within fifteen (15) days after becoming an employer, register

with the Officer his name and address and such other information as the Officer may require and shall after October 1, 1972, or the effective date of this Ordinance, whichever is later, deduct at the time of payment of salary, wage, commission or other compensation to his employee or employees the tax imposed by this Ordinance on the earned income due his employee or employees, and shall on or before April 30th, July 31st, October 31st of the then current year and January 31st 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 31st, June 30th, September 30th and December 31st of the current year respectively, except that for the period from October 1, 1972, or the effective date of this Ordinance, whichever is later, to December 31, 1972, such employer shall on or before April 15, 1973, file a return and pay to the Officer the taxes deducted during the period ending December 31, 1972.

(2) All returns herein required shall show the name and social security number of each such employee, the earned income of such employee during any preceding three-month period, the tax deducted therefrom, the political sub-divisions 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.

(3) On or before February 28, 1973, and of each succeeding year, every employer shall file with the 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 Officer for the period beginning January 1st and ending December 31st of the then current year, except that for the current year 1972 the return shall cover the period October 1, 1972, or the effective date of this Ordinance, whichever is later, through and including December 31, 1972.

*Mary Anita D. Brady*

(b) a return withholding statement: for each employee employed during all or any part of the period beginning October 1, 1972, and ending December 31, 1972, or all or any part of any succeeding year beginning January 1st and ending December 31st, 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 sub-divisions imposing the tax on such employee and the amount of tax paid to the Officer. Every employer shall furnish two (2) copies of the individual return to the employee for whom it is filed.

(4) Every employer who discontinues business prior to December 31st of the then current year shall within thirty (30) days after the discontinuance of business file the returns and withholding statements hereinbefore required and pay the tax due.

(5) No employer shall be required to register, deduct taxes, file returns or pay taxes in the case of domestic servants.

(6) The failure or omission of any employer to make the deductions required shall not relieve any employee from the payment of tax or from compliance with the requirements of the Ordinance relating to the filing of declarations and returns.

SECTION VII - ADMINISTRATION - The income tax officer shall be selected from time to time by Resolution of, and shall receive such compensation for his services and expenses as determined from time to time by the Township Supervisors. Such officer shall have the powers and duties, and be subject to the penalties, provided in "The Local Tax Enabling Act," its supplements and amendments.

SECTION VIII - APPLICABILITY - The tax imposed in Section IV of this Ordinance shall not be levied on the net profits of any person, institution or organization as to whom it is beyond the power of the Township Supervisors to impose said tax under the

*Margaret S. Gandy*

Constitution of the United State of America or the Constitution and Laws of the Commonwealth of Pennsylvania.

SECTION IX - CREDITS - Payment of any tax on income to a state other than Pennsylvania, or to any political subdivision thereof by residents thereof, pursuant to any State or local law, to the extent that such income includes salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation or net profits of businesses, professions or other activities, but in such proportions as hereinafter set forth shall be credited to and allowed as a deduction from the liability of such person for the tax imposed by this Ordinance on salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation or net profits of businesses, professions or other activities, if residents of the Township of West Pikeland receive credits and deductions of a similar kind to a like degree from the tax on income imposed by the other state or political subdivision thereof.

Where a credit or a deduction is allowable, it shall be allowed in proportion to the concurrent period for which taxes are imposed by the other state or respective political subdivisions, but not in excess of the amount previously paid for a concurrent period.

SECTION X - SEVERABILITY - The provisions of this Ordinance are severable if any part of this Ordinance is declared to be unconstitutional, illegal or invalid, the validity of the remaining provisions shall be unaffected thereby. It is the intention of the Township Supervisors that this Ordinance would have been adopted had such unconstitutional, illegal or invalid part not been included herein.

*Marguerite S. Teady*  
*Secretary*

SECTION XI - PENALTIES AND ENFORCEMENT - In enforcing the collection of the tax hereby levied, the Officer shall have all the remedies prescribed by the Enabling Act, and shall be entitled to add to the amount of any delinquent tax or debt created by the failure to pay or to collect at the source such tax, interest at the rate of 6% per annum on the amount of said tax, and an additional penalty of 1/2 of 1% of the amount of the unpaid tax for each month or fraction thereof during which the tax remains unpaid. Where suit is brought for the recovery of any such tax, the person liable therefor shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed.

In addition, any taxpayer violating or conspiring to violate any provisions of this Ordinance or the Enabling Act shall, upon conviction in summary proceedings, be subject to a fine of not more than \$500.00 for each offense and costs and, in default of payment thereof, to imprisonment for a period not exceeding thirty (30) days. Any person who divulges any information which is confidential under the provisions of this Ordinance shall, upon conviction thereof in summary proceedings, be subject to a fine of not more than \$500.00 for each such offense and costs and, in default of payment thereof, to imprisonment for a period not exceeding thirty (30) days.

SECTION XII - EFFECTIVE DATE - This Ordinance adopted the 28<sup>th</sup> day of August, 1972, to be effective October 1, 1972.

ENACTED AND ORDAINED this 28<sup>th</sup> day of August, 1972

*Marguerite L. Steady*  
Secretary

*John T. ...*  
*Charles ...*  
*Q. M. ...*