

## ORDINANCE # 16 - 1971

An Ordinance enacted pursuant to the authority granted by Act No. 511 of 1965 effective January 1, 1966 (known as The Local Tax Enabling Act) said Ordinance to be known as The Earned Income Ordinance, imposing a tax for general revenue purposes on salaries, wages, commissions and other compensation earned during the period beginning January 1, 1972 or the effective date of the Ordinance and continuing for each taxable year thereafter, by residents of the Township of Money Brook, Pennsylvania, and on salaries, wages, commissions and other compensation earned during said period by nonresidents of the Township of Money Brook for work done or services rendered or performed in the Township of Money Brook, and on the net proceeds earned during said period from businesses, professions or other activities conducted by residents of the Township of Money Brook, and the net proceeds earned during said period from businesses, professions, or other activities conducted in the Township of Money Brook 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 Board of Supervisors of the Township of Honey Brook, Pennsylvania, under authority of the Local Tax Enabling Act approved December 31, 1965, P.L.#511, (hereinafter referred to as the "Enabling Act") as follows:

Section I-- Incorporation of Statute and Regulations

The provisions of Section 13 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 Section 13, this Ordinance designates the option selected, and except as and where hereinafter specifically provided otherwise. Also incorporated by reference are the Tax Regulations of the Income Tax Office.

Section II-- Imposition of Tax

A tax for general revenue purposes in the amount of one(1%) percent is hereby imposed on earned income and net proceeds earned by residents and non-residents of the Township of H<sup>0</sup>ney Brook during the taxable year beginning on the 1st day of January A.D., 1972 and continuing for each taxable year thereafter until terminated.

(A) 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 workmen s compensation acts, occupational 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 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 shall not be considered as "wages" under this Ordinance.

(B) Persons under 18 Years of Age

This Township finds (1)

that minors of various age groups have traditionally, and with judicial sanction, been considered as comprising separate classes for many legislative purposes, and

(2) that minors under the age of eighteen (18)

years are for the most part, unemancipated and subject to compulsory school attendance and child labor laws, and, therefore, for the most part, so lacking on power to earn and to have legal control of money or property that enforcement of reporting and collection of tax hereunder against them would yield inconsequential amounts and would be unduly difficult, expensive, and not in the public interest; and, therefore, persons under the age of eighteen (18) years are hereby exempted from all liability for tax under this Ordinance.

Section III-- Declaration, Return and Payment of Tax

(A) Net Profits

(1) FOR 1972

Every taxpayer making net profits, shall on or before April 15, 1972, make and file with the officer on a form prescribed or approved by the officer, a declaration of his estimated net profits during the period beginning January 1, 1972 or the effective date of this Ordinance and ending December 31, 1972, and pay to the officer on four (4) equal quarterly installments, the tax due thereon as follows:

The first installment at the time of filing the declaration; the second installment on or about July 15, 1972; the third installment on or about October 15, 1972 and the fourth installment on or before January 15, 1973; and on or before April 15, 1973 shall file a final return showing the amount of net profits earned during the period beginning January 1, 1972 or the effective date of this Ordinance and ending December 31, 1972, 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 officer the balance of tax due or shall make demand for refund or credit in the case of over-payment.

## (2) AFTER 1972

Every taxpayer making net profits in any year succeeding 1972 shall file a declaration of his estimated net profits for the current year and shall pay the tax thereon on quarterly installments and shall file a final return and pay to the officer a the balance of the tax due, all as provided in Section 13, III, A (1), of the Local Tax Enabling Act, its supplements and amendments.

## (B) EARNED INCOME

(1) FOR 1972---Every taxpayer shall, on or before April 15, 1973, make and file with the officer a final return showing the amount of earned income (other than net profits) received during the period beginning January 1, 1972, or the effective date of this Ordinance, 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.

(2) AFTER 1972--

For years succeeding the year 1972, every taxpayer shall make and file final returns and pay the taxes due all as provided in Section 13, III, B First paragraph of The Local Tax Enabling Act, its supplements and amendments.

(3) QUARTERLY RETURNS

Every taxpayer who is employed for a salary, wage 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 officer quarterly returns and shall pay quarterly the amount of tax shown as due on such returns, all as provided in Section 13, III, B, (2) of The Local Enabling Act, its supplements and amendments.

## SECTION IV\_\_ COLLECTION AT SOURCE

(A) Every employer having an office, factory, workshop, branch, warehouse or other place of business with the corporate limits of the Township of Honey Brook, shall deduct the tax imposed by this Ordinance of the earned income due his employee or employees and shall file quarterly returns and final returns and pay quarterly, to the officer, the amount of taxes, deducted, all as set forth in Section 13, IV of said The Local Tax Enabling Act, its supplements and amendments: except that:

(1) For the period from January 1., 1972 or the effective date of this Ordinance to December 1, 1972 such employer shall, on or before April 30, 1972 and on or before July 31, 1972, October 31, 1972 and January 31, 1973, file a return and pay to the officer the taxes deducted during the preceding three month periods ending March 31, 1972, June 30, 1972, September 30, 1972 and December 31, 1972, respectively.

(2) On or before February 28, 1973, every employer shall file with the officer:

(a) An annual return showing the total amount of tax deducted and the total amount of tax paid to the officer for the period beginning January 1, 1972 or the effective date of this Ordinance and ending December 31, 1972.

(b) A return withholding statement for each employee employed during all or part of the period beginning January 1, 1972 and ending December 31, 1972, setting forth the

employee's name, address and social

employees 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 subdivisions imposing the tax upon such employee, 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 was filed.

(B) Every employer who discontinues business prior to December 31, 1972 shall within thirty(30) days after discontinuance of business file returns and withholding statements hereinabove required and pay the tax due.

(C) No employer shall be required to register deduct taxes, file returns or pay taxes on the cases of domestic servants.

#### SECTION V--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 Board of 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 VI-- Applicability

The tax imposed in Section II 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 Board of Supervisors to impose said tax under the Constitution of the United States of America or the Constitution and laws of the Commonwealth of Pennsylvania.

#### SECTION VII\_ Severability

The provisions of this Ordinance are severable. If any part of this Ordinance is declared unconstitutional, illegal or invalid, the validity of the remaining provisions shall be unaffected thereby. It is the intention of the Board of Supervisors of the Township of Honey Brook that this Ordinance would have been adopted had such unconstitutional, illegal or invalid part not been included herein.

ORDAINED AND ENACTED by the Board of Supervisors of  
the Township of Honey Brook at a regular meeting held  
the 6th day of December, 1971. It is enacted under  
the authority of the Act of No. 511, known as "The  
Local Tax Enabling Act" 1965, Dec. 1, 1257, Sec. 5,  
as amended 1967, Oct. 9, P. L. 361, Section 1.

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