

EARNED INCOME TAX OF THE TOWNSHIP OF KISKIMINETAS

ORDINANCE NO. 1-69

An ordinance providing for the assessment, levy and collection of a tax for general Township purposes, under the authority of the Act of December 31, 1965, P.L. 1257, Act 511, known as "The Local Tax Enabling Act" and its amendments, upon salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation earned after July 1, 1969 by residents of the Township of Kiskiminetas, Armstrong County, Pennsylvania, and on the net profits earned after the first day of July, 1969 of businesses, professions and other activities conducted by such residents; requiring the filing of declarations and returns and giving of information by employers and by those subject to the tax, imposing on employers the duty of collecting the tax at the source, providing for the administration and enforcement of this ordinance and imposing penalties for the violation thereof. The Township of Kiskiminetas, Armstrong County, Pennsylvania, under the authority of the Act of the General Assembly of December 31, 1965, P. L. 1257, Act 511, known as "The Local Tax Enabling Act," and its amendments, hereby enacts as follows:

Section 1. TITLE

The title of this ordinance shall be "The Earned Income Tax of the Township of Kiskiminetas".

Section 2. DEFINITIONS

The following words or phrases when used in this ordinance shall have the meaning ascribed to them in this section, except when the context indicates a different meaning.

(a) The term "association" shall mean a partnership, limited partnership, or any other form of unincorporated enterprise owned by two or more persons.

(b) The term "business" shall include any enterprise, activity, profession, or undertaking of any nature conducted for profit or ordinarily conducted for profit, whether by an individual, copartnership, association or other entity.

(c) The term "corporation" shall mean any corporation or joint stock association organized under the laws of the United States of America, Commonwealth of Pennsylvania, or any other state, territory, or foreign country or dependency.

(d) The term "employer" shall mean any person, individual, co-partnership, association, corporation, governmental body or unit

or agency or any other entity who or which employ one or more persons on a salary, wage, commission or other compensation basis.

(e) The term "earned income" shall mean 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 cash 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 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 retirements.

(f) The term "net profits" shall mean the net income from the operation of a business, profession, or other activity, except corporations, after provision 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.

(g) The term "person" shall include natural persons, an individual, co-partnerships, associations, corporations, firms, or fiduciaries. Whenever used in any clause prescribing and imposing a penalty, the term "person" as applied to associations, shall mean the partners or members thereof, and as applied to corporations shall mean the officers thereof.

(h) The term "resident" shall mean a person, co-partnership, association or other entity domiciled in the Township of Kiskiminetas, Armstrong County, Pennsylvania.

(i) The term "taxpayer" shall mean a person, co-partnership, association or other entity, required hereunder to file a return on earned income or net profits, or to pay a tax thereon.

(j) The term "income tax officer" or "tax officer" shall mean the person, public employe or private agency designated by the Supervisors of the Township of Kiskiminetas to collect and administer the tax on earned income and net profits.

In this ordinance, the singular shall include the plural and the masculine shall include the feminine and the neuter.

Section 3.

TAX RATE

A tax for general township revenue purposes of 1 per cent is hereby imposed upon the following under the authority of the Act of December 31, 1965, P.L. 1257, Act 511 and its amendments:

(a) Salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation earned on and after July 1, 1969 by residents of the Township of Kiskiminetas.

(b) Net profits earned on and after July 1, 1969 of businesses, professions, and other activities conducted by residents of the Township of Kiskiminetas.

The tax levied under (a) herein shall relate to and be imposed upon salaries, wages, commissions, and other compensation paid by an employer or on his behalf to any person who is employed by or renders services to him. The tax levied under (b) herein shall relate to and be imposed on the net profits of any business, profession, or enterprise carried on by any person as owner or as proprietor, either individually or in association with some other person or persons.

Section 4.

INCOME TAX OFFICER

The Tax Officer is hereby designated receiver of the taxes imposed by this ordinance. He shall be bonded by a good and reliable bonding company at all times for all money coming into his hands for Township purposes under this ordinance, the cost of which bonds shall be paid by the Township. He shall collect and receive all such tax, shall furnish a receipt for their payment and shall keep a record showing the amount received by him from each taxpayer under this ordinance and the date of the receipt of such payment. The Tax Officer with the approval of the Township Supervisors, is hereby empowered to prescribe rules and regulations relating to any matter or thing pertaining to the administration and enforcement of the provisions of this ordinance. Such rules and regulations shall be inscribed by the Township Secretary into a book kept for that purpose and open to the inspection of the public. Such rules and regulations shall have the same force and effect as if they had been incorporated into this ordinance.

Section 5.

TAXPAYERS RETURNS AND PAYMENTS

Every person whose earned income or net profits are subject to any tax imposed by this ordinance shall make and file returns with the tax officer on forms prescribed by the tax officer, furnished at the expense of the township, obtainable from the tax officer and filed quarterly and annually as required. The information on such returns shall be the pertinent information as required by the tax officer.

(a) 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 tax 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 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, and subject to the tax, together with such other information as the tax officer may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the tax officer the amount of tax shown as due thereon.

(b) Every taxpayer making net profits shall on or before April 15, of the current year, make and file with the 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 tax officer in four equal quarterly installments the tax due thereon as follows: The first installment at the time of filing 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.

(c) Every taxpayer shall, on or before April 15, of the succeeding year, make and file with the tax officer a final return showing the amount of earned income received or net profits earned during the period beginning January 1, of the current year, and ending December 31, of the current year, 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 tax payer shall pay the balance of the tax due or shall make demand for refund or credit in the case of overpayment.

(d) Any taxpayer may, in lieu of paying the fourth quarterly installment of his estimated tax, elect to make and file with the tax officer on or before January 31, of the succeeding year, the final return as hereinabove required.

Section 6.

EMPLOYERS COLLECTIONS AND RETURNS

(a) Every employer within the Township of Kiskiminetas shall deduct at the time of payment of compensation due by him to an employee, the tax imposed by this ordinance on earned income and said employer 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 with the tax officer upon forms prescribed and furnished by the tax officer containing the pertinent information required and pay to the tax officer the amount of taxes deducted during the preceeding 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.

(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 taxing authority, may be required by the tax officer to file his return and pay the tax monthly. In such cases, payments of tax shall be made to the tax officer on or before the last day of the month succeeding the month for which the tax was withheld.

(c) On or before February 28, of the succeeding year, every employer shall file with the tax officer:

(1) 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 tax officer for the period beginning January 1, of the current year, and ending December 31, of the current year.

(2) A return withholding statement for each employe 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 employe's name, address and social security number, the amount of earned income paid to the employe during said period, the amount of tax deducted, the political sub-divisions imposing the tax upon such employe, the amount of tax paid to the tax officer. Every employer shall furnish two copies of the individual return to the employe for whom it is filed.

(d) 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 employe.

(e) The failure or omission of any employer to make the deductions required by this section shall not relieve any employe from the payment of the tax or from complying with the requirements of the ordinance relating to the filing of declarations and returns.

Section 7.

EXAMINATION OF RECORDS

The Tax Officer or any other person designated by the Board of Supervisors for the purpose is hereby authorized to examine any of the books, papers, and records of the employer or supposed employer or of any taxpayer or supposed taxpayer in order to verify the accuracy of any return made, or, if no return is made, to ascertain the amount of tax due by any person under this ordinance. Every such employer or supposed employer or taxpayer or supposed taxpayer is hereby directed and required to give to the tax officer or other authorized person the means, facilities and opportunity for such examinations and investigations as are hereby authorized. The tax officer is hereby authorized to examine any person under oath concerning any income which was or should have been returned for taxation and to this end the Township Supervisors may compel the production of books, records, and papers and the attendance of all persons before such Tax Officer, whether as parties or as witnesses, whom the Tax Officer believes to have knowledge of such income.

Section 8.

CONFIDENTIAL INFORMATION

Any information gained by the Tax Officer or any other official or agent of the Township as a result of any return, investigation, hearing or verification required or authorized by this ordinance shall be confidential, except for official purposes, and except in accordance with proper judicial order and or as otherwise provided by law. Any disclosure of any information, contrary to the provisions of this section shall constitute a violation of this ordinance.

Section 9.

INTEREST AND PENALTY

All taxes imposed under this ordinance remaining unpaid after they shall have become due shall bear interest in addition to the amount of the unpaid tax at the rate of 6% per annum, and the person against whom such tax is imposed shall be further liable to a penalty of $\frac{1}{2}$ of 1 per cent of the amount of the unpaid tax for each month or fraction of a month of nonpayment.

Section 10.

LEGAL ACTION

All taxes imposed by this ordinance, together with all penalties, interest, and costs, shall be recoverable by the Tax Officer as debts of like amounts are by law recoverable.

Section 11.

ENFORCEMENT

Any person convicted before any Justice of the Peace of the Township of Kiskiminetas or any District Justice of violating any of the provisions or requirements of this ordinance or of failing, neglecting or refusing to pay any tax, penalties or interest imposed under this ordinance; or refusing to permit the Tax Officer or any duly authorized agent to examine any of his books, papers or records; or of knowingly making any incomplete, false or fraudulent return or of doing or attempting to do anything whatever to avoid the payment of the whole or any part of the tax imposed under this ordinance shall be liable to a fine or penalty not exceeding Three Hundred (\$300.00) Dollars, and costs of prosecution, for each and every offense, and in default of payment of such fine and costs to imprisonment for not more than thirty (30) days.

Section 12.

EXPENSES

All expenses incurred in the administration of this ordinance shall be paid by the Township.

Section 13.

LIMITATION

This ordinance shall not apply to any person or property as to whom or which it is beyond the legal power of the Township to impose the tax or duties herein provided.

Section 14.

EFFECTIVE DATE

This ordinance shall go into effect on the first day of July, 1969 and the tax levied hereunder shall continue in force annually on a calendar year basis without annual reenactment. The provisions of this ordinance being established on a calendar year basis for simplicity and uniformity of administration, for the current year of 1969, it shall only be necessary for taxpayers and employers to comply with the provisions applicable to the third and fourth quarters of 1969.

Section 15.

CONFORMITY TO STATE LAW

All of the terms and provisions of Section 13 of Act 511 of the General Assembly are construed to be part of every ordinance levying an income tax and said Section 13 of said Act is hereby fully incorporated in this ordinance by reference thereto, as fully as if specifically set forth in detail in this ordinance.

Section 16.

CONSTITUTIONAL CONSTRUCTION

If any sentence, clause or section or part of this ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, or sections or parts of this ordinance. It is hereby declared as the intent of the Board of Supervisors of the Township of Kiskiminetas that this ordinance would have been adopted had such unconstitutional, illegal or invalid sentences, clauses, sections or parts thereof had not been included herein.

Approved, adopted and enacted into an ordinance this 29 day of MAY, 1969.

Board of Supervisors
Kiskiminetas Township,
Armstrong County,
Pennsylvania

W. H. Bawa

Carl B. Martin

Ray J. Catteron

Supervisors