

Borough of Milford
Pike County, Pennsylvania

Ordinance No. _____ -2021
EARNED INCOME TAX ORDINANCE

An Ordinance levying a tax on earned income and net profits: requiring tax returns; requiring employers to withhold and remit tax; and related provisions.

ENACTED, by the Borough of Milford under authority of the Local Tax Enabling Act, 53 PS § 6924.101 et. seq., and other applicable law as follows:

§ 1. Definitions. All terms defined in the Local Tax Enabling Act shall have the meanings set forth therein. The following terms shall have the meanings set forth herein.

a. Collector.

The person or entity appointed as tax officer pursuant to the Local Tax Enabling Act to collect the tax.

b. Effective Date.

October 1, 2021.

c. Enactment.

This Ordinance.

d. Governing Body.

The Borough Council of Milford, Pike County, Pennsylvania.

e. Local Tax Enabling Act.

The Local Tax Enabling Act, as set forth in 53 PS § 6901 et. seq. while numbering and provisions remain in effect under Act 32 of 2008, and as set forth in 53 PS § 6924.101 et. seq. when such numbering and provisions become effective under Act 32, and as may be amended in the future.

f. TCD.

Any Tax Collection district to which the Taxing Authority or any part of the Taxing Authority is assigned under the Local Tax Enabling Act.

g. TCC.

The Tax Collection Committee established to govern and oversee the collection of earned income tax within the TCD under the Local Tax Enabling Act.

h. Tax.

The Tax imposed by this Enactment.

i. Tax Return.

A form prescribed by the collector for reporting the amount of tax or other amount owed or required to be withheld, remitted, or reported under this Enactment or the Local Tax Enabling Act.

j. Tax Year.

The period from January 1 to December 31.

k. Tax Authority.

The Borough of Milford.

§ 2. Imposition of Tax.

a. General Purpose Resident Tax.

The Taxing Authority hereby imposes a Tax for general revenue purposes at the rate of one (1%) percent on earned income and net profits of individual residents of the Taxing Authority.

b. General Purpose Municipal Non-Resident Tax.

The Taxing Authority also imposes a tax for general revenue purposes at the rate of one (1%) percent on earned income and net profits derived by an individual who is not a resident of the Taxing Authority from any work, business, profession or activity of any kind engaged in within the boundaries of the Taxing Authority.

c. Ongoing Tax.

The Tax shall continue at the above rates during the current tax year and each tax year thereafter, without annual re-enactment, until this Enactment is repealed or the rate is changed.

d. Combined Tax Rate Applicable to Residents.

Currently, the total rate applicable to residents of the Taxing Authority, including any tax that may be imposed by a school district and municipality in which the individual resides, is one (1%) percent.

e. Municipal Tax Rate Applicable to Non-Residents.

Currently, the total rate applicable to non-residents working with the Taxing Authority, based on municipal non-resident tax rate is one (1%) percent.

f. Local Tax Enabling Act Applicable.

The Tax is imposed under authority of the Local Tax Enabling Act, and all provisions thereof that relate to a tax on earned income or net profits are incorporated into this Enactment. Any future Amendments to the Local Tax Enabling Act that are required to be applied to a tax on earned income or net profits will automatically become part of this Enactment upon the effective date of such Amendment, without the need for formal Amendment of this Enactment, to the maximum extent allowed by 1 Pa. C.S.A. § 1937.

g. Applicable Laws, Regulations, Policies and Procedures.

The Tax shall be collected and administered in accordance with: (1) All Applicable Laws and Regulations. (2) Policies and Procedures Adopted by the TCC or by the Collector. This includes regulations, policies and procedures adopted in the future to the maximum extent allowed by 1 Pa. C.S.A. § 1937.

§ 3. No exemption from Tax.

Although credits and deductions against Tax are permitted under certain circumstances as provided in applicable law and regulations, no individuals are exempt from tax based on age, income or other factors.

§ 4. Individual Tax Returns and Payments.

Every individual receiving earned income or earning net profits in any tax year shall file Tax returns and pay Tax in accordance with the Local Tax Enabling Act.

§ 5. Employer Withholding, Remittance and Tax Returns.

Every employer shall register, withhold and remit tax, and file tax returns in accordance with the Local Tax Enabling Act.

§ 6. Tax Collector.

The Tax will be collected from individuals and employers by the Collector.

§ 7. Interest, Penalties, Cost and Fines.

Individuals and employers are subject to interest, penalties, cost and fines in accordance with the Local Tax Enabling Act, including cost imposed by the Collector in accordance with the Local Tax Enabling Act.

§ 8. Severability.

The provisions of this Enactment are severable and if any of its provision are ruled by a Court invalid or unconstitutional, such decision shall not affect or impair any of the remaining provisions of this Enactment. It is declared to be the intention of the

GOVERNING BODY that this Enactment would have been adopted if such invalid or unconstitutional provision had not been included.

§ 9. Purpose of Amendment.

The primary purpose of this Enactment is to adopt an Earned Income and Net Profits Tax Allowable under the Local Tax Enabling Act as amended and reinstated by Act 32 of 2008.

§ 10. Adoption.

This Enactment is adopted and Enacted on this _____ day of _____,
2021.

Adoption: This Enactment is adopted and Enacted on the _____ day of June,
2021.

Frank Tarquinio,
Milford Borough Council, President

ATTEST:

Laurie DiGeso,
Milford Borough Secretary