

ORDINANCE NO. 12-9-15

AN ORDINANCE IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON EARNED INCOME OF RESIDENTS OF CLINTON TOWNSHIP, WAYNE COUNTY, PENNSYLVANIA AND ON EARNED INCOME EARNED BY NON-RESIDENTS OF CLINTON TOWNSHIP, WAYNE COUNTY, PENNSYLVANIA, FOR WORK ON, OR SERVICES PERFORMED OR RENDERED IN SAID TOWNSHIP, REQUIRING THE FILING OF DECLARATION AND RETURNS, AND THE GIVING OF INFORMATION BY EMPLOYERS AND OTHERS SUBJECT TO THE TAX, IMPOSING ON EMPLOYERS THE DUTY OF COLLECTING THE TAX AT THE SOURCE, PROVIDING FOR THE ADMINISTRATION AND ENFORCEMENT OF THE ORDINANCE AND IMPOSING PENALTIES FOR VIOLATION THEREOF.

BE IT RESOLVED by the Board of Supervisors of Clinton Township, Wayne County, Pennsylvania, pursuant to the provision for the Local Tax Enabling Act, Act No. 511 of 1965, and amendments, it is hereby resolved as follows:

SECTION 1. DEFINITIONS.

“Association.” A partnership, limited partnership, or any other unincorporated group of two (2) or more persons.

“Business.” An enterprise, activity, profession or any other undertaking of an unincorporated nature conducted for profit, or ordinarily conducted for profit, whether by persons, partnership, association or any other entity.

“Corporation.” A corporation of joint stock association organized under the laws of the United States, the Commonwealth of Pennsylvania, or any other state, territory, foreign country or dependence.

“Current Year.” The calendar year for which the tax is levied.

“Domicile.” The place where one lives and has his permanent home, and to which he has the intention of returning whenever he is absent. Actual residence is not necessarily domicile, for domicile is the fixed place of abode which, in the intention of the taxpayer, is permanent rather than transitory. Domicile is the voluntary fixed place of habitation of a person, not for a mere special or limited purpose, but with the present intention of making a permanent home, until some event occurs to induce him to adopt some other permanent home. In the case of businesses, or association, the domicile is that place considered as the center of business affairs and the place where its functions are discharged.

“Earned Income.” 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 property; not including, however, wages or compensation paid to persons on active military service, periodic payments for sickness, disability of 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 compensation payments 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.

"Income Tax Officer or Officers." Person, public employee or private agency designated by governing body to collect and administer the tax on earned income and net profits.

"Employer." A person, partnership, association, corporation, institution, governmental body or unit or agency, or any other entity employing one or more persons for a salary, or any other entity employing one or more persons for a salary, wage, commission or other compensation.

"Net profits." The net income from the operation of a business, profession, or other activity, except corporation, 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.

"Non-resident." A person, partnership, association or other entity domiciled outside the taxing district.

"Persons or Individual." A natural person.

"Preceding Year." The calendar year before the current year.

"Resident." A person, partnership, association or other entity domiciled in the taxing district.

"Succeeding Year." The calendar year following the current year.

"Taxpayer." A person, partnership, association, or any other entity, required

hereunder to file a return of earned income or net profits, or to pay a tax thereon.

SECTION II. IMPOSITION OF TAX.

A tax at the rate of one-half percent (1/2%) on each dollar imposed on all earned income and net profits, as defined above earned by residents of the Township and on all earned income and net profits earned by non-residents of the Township for work done or services performed or rendered in said Township. This tax shall become effective January 1, 2016, and shall remain in effect thereafter on a calendar year basis without annual re-enactment unless the rate of tax is subsequently changed.

SECTION III. DECLARATION OF PAYMENT OF TAX.

A. Net profits.

1. Every taxpayer making net profits shall on or before April 15th, of each year make and file with the officer on a form prescribed by the officer, a declaration of his estimated net profits during the period beginning January 1st and ending December 31st of the current year and pay to the officer in four (4) equal Quarterly Installments the tax due thereon as follows:

The first installment on or before June 15th of the current year, September 15th of the current year, and January 15th of the succeeding year.

2. On or before April 15th of the succeeding year, every taxpayer shall make and file a return on a form prescribed by the officer showing the amount of net profits earned, the total amount of tax due 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 the tax due, or shall make demand for refund in the case of overpayment in excess of five (\$5.00) dollars. An incomplete or improperly completed tax return shall be considered as not having been filed. Each final return shall be considered as not having been filed. Each final return shall be substantiated and supported by such United States Federal Income Tax Return forms as required by the officer, which shall at least include a copy of the Federal W-2 Form in the case of an earned income taxable, and Schedule C of the Federal Return as to a net profits taxable.

B. Earned Income.

Every taxpayer shall, on or before April 15th, of the succeeding year, make and file with the officer, a final return showing the amount of earned income received during the period beginning January 1st, of the current year, and ending December 31st, 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 taxpayer shall pay the balance of the tax due or shall make demand for refund in the case of overpayment in excess of five (\$5.00) dollars. An incomplete or improperly completed tax return shall be considered as not having been filed. Each Final Return shall be submitted and supported by such United States Federal Income Tax Returns forms as required by the officer, which shall at least include a copy of the Federal W-2 Form in the case of an earned income taxable, and Schedule C of the Federal Return as to a net profits taxable.

C. Earned Income Not Subject to Withholding.

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 officer on a form prescribed or approved by the officer, a Quarterly Return on or before April 30th of the current year, July 31st of the current year, October 31st of the current year, and January 31st of the succeeding year, setting forth the aggregate amount of earned income not subject to withholding by him during the three (3) months period ending March 31st of the current year, June 30th of the current year, September 30th of the current year, and December 31st of the current year, respectively, and subject to the tax, together with such other information as the office may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the office the amount of tax shown as due thereon.

SECTION IV. COLLECTION AT SOURCE.

- A. Every employer having an office, factory, workshop, branch, warehouse, or other place of business within Clinton Township who employs one or more persons, other than domestic servants, for a salary, wage, commission, or other compensation, shall deduct at the time of payment thereof, the tax imposed by Clinton Township on the earned income due to his employee or employees and shall, on or before April 30th of the current year, July 31st of the current year, October 31st of the 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 (3) months period ending March 31st of the current year, June 30th of the current year, September 30th of the current year, September 30th of the current year and December 31st of the current year, respectively. Such returns unless otherwise agreed upon between the officer and employer, shall show the name and Social Security number of each such employee, the earned income of such employee during such preceding three (3) month period, the tax deducted therefrom the political subdivision imposing the tax upon such employee and the

political subdivision in which the employee resides, the total earned income of all such employees during such preceding three (3) month period, and the total tax deducted therefrom and paid with the return.

- B. Any employer, who for two (2) of the preceding four (4) 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 officer to file his return and pay the tax monthly. In such cases, payments of tax shall be made to the officer on or before the last day of the month succeeding the month for which the tax was withheld.
- C. On or before February 28th of the succeeding year, every employer shall file with the 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 officer for the period, beginning January 1st of the current year, and ending December 31st of the current year.
 - 2. A return showing withholding statement for each employee employed during all or part of the period beginning January 1st of the current year, and ending December 31st of the current year 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 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 is filed.
- D. Every employer who discontinues business prior to December 31st of the current year, shall, within thirty (30) days after the discontinuance of business, file the returns and withholding statements herein above required and pay the tax due.
- E. Except as otherwise provided, 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 employee.
- F. The failure or omission of any employer to make the deductions required by this section shall not relieve any employee from the payment of the tax or from complying with the requirement of the Ordinances relating to the filing of declarations and returns.

SECTION V. POWERS AND DUTIES OF OFFICER.

A. It shall be the duty of the officer to collect and receive the taxes, fines and penalties imposed by the Ordinance. It shall also be his duty to keep a record showing the amount received by him from each person or business paying the tax, and the date of such receipt.

B. Each officer, before entering upon his official duties, shall give and acknowledge a bond to Clinton Township. If the Board of Supervisors of

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Township shall by Ordinance designate any bond previously given by the officer as adequate, such bond shall be sufficient to satisfy the requirements of the subsection.

Each such bond shall be joint and several, with one or more corporate sureties which shall be surety companies authorized to do business in this Commonwealth and duly licensed by the Insurance Commission of this Commonwealth.

Each bond shall be conditioned upon the faithful discharge by the officer, his clerks, assistants and appointees of all trusts confided in him by virtue of his office, upon the faithful execution of all duties required by him according to law, of all monies and all balances thereof paid to, received, or held by him by virtue of this office, and upon the delivery to his successor or successors in office of all books, papers, documents or other official things held in right of his office.

Each such bond shall be taken in the name of the appointing authority or authorities, and shall be for the use of the political subdivision or political subdivisions appointing the officer, and for the use of such other person or persons for whom money shall otherwise appear, in case of a breach of any of the conditions thereof by the acts or neglect of the principle on the bond.

C. The officer charged with the administration and enforcement of the provisions of the Ordinance is hereby empowered to prescribe, adopt, promulgate and enforce, Rules and Regulations relating to any matter pertaining to the administration and enforcement of the Ordinance including provisions for the re-examination and correction of declarations and returns and of payments alleged or found to be incorrect, or as to which an overpayment is claimed or found to have occurred, and to make refunds in case of overpayment, for any period of time not to exceed six (6) years subsequent to the date of payment of the sum involved, and to prescribe forms necessary for the administration of the Ordinance. No Rule or Regulation of any kind shall be enforceable unless

it has been approved by the Board of Supervisors. A copy of such Rules and Regulations currently in force shall be available for public inspection.

**CLINTON TOWNSHIP, WAYNE COUNTY,
BOARD OF SUPERVISORS:**

Attest:

Jim Droppa
Secretary

[Signature]
Chairman

[Signature]
Supervisor

Supervisor