

**BOROUGH OF PROSPECT PARK
DELAWARE COUNTY, PENNSYLVANIA**

ORDINANCE NO. 1355

**PROVIDING FOR THE IMPOSITION OF AN EARNED
INCOME TAX FOR TAX YEAR 2021 AND THEREAFTER
PURSUANT TO THE PENNSYLVANIA LOCAL TAX
ENABLING ACT; PROVIDING FOR PROCEDURES FOR
THE COLLECTION THEREOF; PROVIDING FOR
INTEREST, PENALTIES, COSTS AND FINES FOR THE
NONPAYMENT OF SUCH TAX**

The Prospect Park Borough Council, pursuant to the authority vested in it by the Local Tax Enabling Act, 53 Pa.C.S. §6924.101 *et seq.*, hereby enacts the following Ordinance establishing, setting forth or fixing the Earned Income Tax and its rate for the Borough of Prospect Park in 2021 and thereafter until altered by the Borough Council of the Borough of Prospect Park.

WHEREAS, the Borough of Prospect Park experiences the need for capital and operational funding for services such as, but not limited to, police and fire safety, emergency services vehicles, equipment, sewer construction and maintenance, repaving of streets, personnel and materials; and,

WHEREAS, the Borough Council of the Borough of Prospect Park believes that the Earned Income Tax is a more equitable method of funding the required capital and operational costs of the Borough rather than increase the real estate property tax, which may further burden senior residents and our working families;

NOW THEREFORE, under the authority of the Local Tax Enabling Act, the Borough Council of the Borough of Prospect Park does hereby **ORDAIN**:

SECTION 1. DEFINITIONS

For purposes of this Ordinance, all terms defined in the Local Tax Enabling Act, 53 P.S. Section 6924.101, *et seq.*, shall have the meanings set forth therein. In addition, the following terms shall have

the meanings set forth herein, unless the context shall clearly state otherwise:

(a) Tax Officer. The person or entity appointed as tax officer pursuant to the Local Tax Enabling Act to collect the Tax in the TCD.

(b) Effective Date. January 1, 2021.

(c) Local Tax Enabling Act. The Pennsylvania Local Tax Enabling Act, 53 P.S. Sections 6924.101, *et seq.*, and as amended in the future, including any regulations adopted by the Pennsylvania Department of Community and Economic Development thereunder;

(d) TCD. The Delaware County Tax Collection District, or any future tax collection district, to which the Borough of Prospect Park or any part of the Borough is assigned under the Local Tax Enabling Act.

(e) TCC. The tax collection committee established to govern and oversee the collection of income tax within the TCD under the Local Tax Enabling Act.

(f) Tax. The tax on earned income and net profits imposed by this Ordinance.

(g) Tax Return. A form or forms prescribed by the Pennsylvania Department of Community and Economic Development, or by the Tax Officer with the approval of the TCC, for reporting the amount of Tax or other amount owed or required to be withheld, remitted, or reported under this Ordinance or the Local Tax Enabling Act.

(h) Tax Year. The period from January 1 to December 31 in a single calendar year.

(i) Taxpayer. A person or business required under this Ordinance or the Local tax Enabling Act to file a Tax return or to pay Tax.

SECTION 2. IMPOSITION OF TAX.

(a) General Purpose Resident Tax. The Borough of Prospect Park hereby imposes a Tax for general revenue purposes at the rate of

One (1%) Percent on earned income and net profits of residents of the Borough.

(b) General Purpose Municipal Nonresident Tax. The Borough also imposes a Tax for general revenue purposes at the rate of One (1%) Percent on earned income and net profits derived by a non-resident from any work, business, profession, or activity, of any kind engaged within the boundaries of the Borough of Prospect Park.

(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 Ordinance is repealed or the rate is changed.

(d) 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 in this Ordinance. Any future amendments to the Local Tax Enabling Act that are required to be applied to the Tax will automatically become part of this Ordinance upon the effective date of such amendment, without the need for formal amendment of this Ordinance, to the maximum extent allowed by 1 Pa.C.S.A. Section 1937.

(e) Applicable Laws, Regulations, Policies and Procedures. The Tax shall be collected and administered in accordance with (1) all applicable laws and regulations; and, (2) rules, regulations, policies and procedures adopted by the TCC or by the Tax Officer in conformity with the Local Tax Enabling Act. This includes any regulations, policies and procedures adopted in the future to the maximum extent allowed by 1 Pa.C.S.A. Section 1937.

SECTION 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.

SECTION 4. TAXPAYER TAX RETURNS, DECLARATIONS AND PAYMENTS

Every Taxpayer receiving earned income or earning net profits in any Tax Year shall make and file Tax returns and declarations and pay Tax in accordance with the Local Tax Enabling Act and the rules, regulations, policies and procedures of the TCC and Tax Officer. A Taxpayer is required to file timely an annual Tax Return even if no tax payment is due and owing. In addition, even though a resident of the Borough did not have earned income or net profits in the prior Tax Year, the resident must file an annual Tax Return, when requested to do so by the Tax Officer, stating the reason why there was no income or net profits to report.

SECTION 5. EMPLOYER WITHHOLDING, REMITTANCE AND TAX RETURNS

Every employer shall register, require employee residency certificates, withhold and remit Tax, and file Tax returns and withholding statements in accordance with the Local Tax Enabling Act and the rules, regulations, policies and procedures of the TCC and Tax Officer.

SECTION 6. TAX OFFICER

(a) Collection of Tax. The Tax will be collected from Taxpayers and employers by the Tax Officer. The Tax Officer is authorized to file an action in the name of the Borough for the recovery of the Tax due to the Borough and unpaid. Nothing in this section shall affect the authority of the Borough to file an action in its own name for collection of the Tax under the Local Tax Enabling Act.

(b) Criminal Complaints for Violations. The Tax Officer is authorized to file criminal complaints on behalf of the Borough for violation of this Ordinance or the Local tax Enabling Act. Nothing in this section shall affect the authority of the Borough to file a criminal complaint on its own behalf for violation of this Ordinance or the Local Tax Enabling Act.

SECTION 7. INTEREST, PENALTIES, COSTS AND FINES

In the event of a violation of this Ordinance or the Local Tax Enabling Act, or non-payment of Tax, Taxpayers and employers are subject to interest, penalties, costs, and fines in accordance with the Local Tax Enabling Act, including costs of collection imposed by the Tax Officer in accordance with authorization by the TCC. The Tax Officer may retain reasonable costs of collection in accordance with the Local Tax Enabling Act and as approved by the TCC.

SECTION 8. REPEAL

That any Ordinance, or part of Ordinance conflicting with this Ordinance be and the same is hereby repealed in so far as the same affects this Ordinance.

SECTION 9. SEVERABILITY

The provisions of this Ordinance are severable, and if any clause, sentence, subsection or section hereof shall be adjudged by any Court of competent jurisdiction to be illegal, invalid or unconstitutional, such judgment or decision shall not affect, impair or invalidate the remainder but shall be confined in its operation and application to the clause, sentence, subsection or section rendered. It is hereby declared the intent of the Borough Council that this ordinance would have been adopted if such illegal, invalid, or unconstitutional clause, sentence, subsection, or section had not been included therein.

SECTION 10. CONSTRUCTION

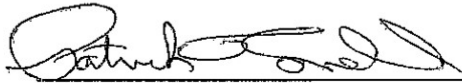
This Ordinance is intended to be consistent with the Local Tax Enabling Act. The Ordinance is intended to include all necessary authorizations to permit the Tax Officer to take all actions for the collection, administration, disbursement, and enforcement of the Tax and all other actions on behalf of the political subdivisions of the TCD as authorized by the Local Tax Enabling Act, subject to the policies and procedures of the TCC. To give full force and effect to this Ordinance, the authority of the Tax Officer shall be interpreted in the broadest permissible sense for the benefit of the Tax Officer's ability to perform his/her duties.

SECTION 11. EFFECTIVE DATE

The provisions of this Ordinance shall become effective on January 1, 2021, and shall apply to earned income tax received or earned and net profits earned or made by a taxpayer during calendar year 2021 and each subsequent year without annual re-enactment unless the rate of Tax is subsequently changed. Changes in the rate of Tax shall become effective on the date specified in the ordinance imposing such change.

ADOPTED, this 10th day of November, 2020.

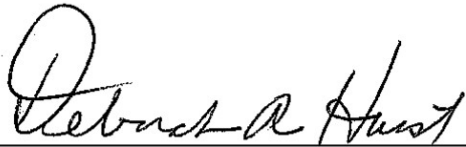
BY:



Patrick O'Connell
President

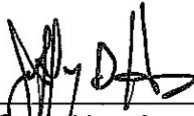
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Attest:



Deborah A. Hurst
Secretary

APPROVED:

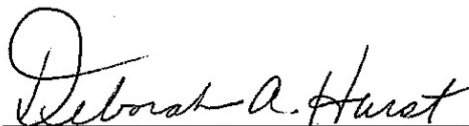


Jeffrey Harris
Mayor

CERTIFICATION

To the Secretary of the Pennsylvania Department of Community and Economic Development:

I hereby certify that the foregoing is a true and correct copy of Ordinance No. 1355 enacted by the Borough of Prospect Park on November 10, 2020.

A handwritten signature in cursive script that reads "Deborah A. Hurst". The signature is written in black ink and is positioned above a horizontal line.

DEBORAH A. HURST
Borough Secretary