

EARNED INCOME TAX ORDINANCE

AN ORDINANCE IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON EARNED INCOME RECEIVED ON AND AFTER JULY 1, 1975, BY RESIDENTS OF THE TOWNSHIP OF FARMINGTON, ON THE NET PROFITS EARNED ON AND AFTER JULY 1, 1975, FROM BUSINESS, PROFESSIONS OR OTHER ACTIVITIES CONDUCTED BY RESIDENTS OF THE TOWNSHIP OF FARMINGTON, EARNED INCOME RECEIVED ON AND AFTER JULY 1, 1975 BY INDIVIDUAL NON-RESIDENTS OF THE TOWNSHIP OF FARMINGTON EMPLOYED IN THE TOWNSHIP OF FARMINGTON, AND NET PROFITS EARNED ON AND AFTER JULY 1, 1975 IN THE TOWNSHIP OF FARMINGTON BY NON-RESIDENTS OF THE TOWNSHIP OF FARMINGTON, REQUIRING THE FILING OF DECLARATIONS AND RETURNS; REQUIRING 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 THIS ORDINANCE; AND IMPOSING PENALTIES FOR VIOLATION THEREOF.

BE IT ENACTED AND ORDAINED, by the Board of Supervisors of the Township of Farmington, Tioga County, Pennsylvania, (which Township is hereinafter called the "Taxing Township"), pursuant to the authority granted by the Act of the General Assembly of the Commonwealth of Pennsylvania, approved December 31, 1965, P. L. 1257, and its amendments and supplements, known as The Local Tax Enabling Act, as follows:

Section 1. This Ordinance shall be known as the "Earned Income Tax Ordinance" of the Township of Farmington and it shall be effective at 12:01 A. M., D.S.T. on July 1, 1975.

Section 2. Imposition of Tax.

A tax for general revenue purposes of one (1%) per cent is hereby imposed on the following:

(a) Earned income received on or after July 1, 1975, by individual residents of the Township of Farmington, Tioga County, Pennsylvania.

(b) Net profits earned on or after July 1, 1975, by residents of the Township of Farmington, Tioga County,

Pennsylvania.

(c) Earned income received on or after July 1, 1975 by individual non-residents of the Township of Farmington , Tioga, County, Pennsylvania, employed in the Township of Farmington .

(d) Net profits earned on or after July 1, 1975 in the Township of Farmington , Tioga County, Pennsylvania, by non-residents of the Township of Farmington .

The tax levied under (a) herein shall relate to and be imposed upon earned income paid by an employer or in his behalf to a person who is employed by him. The tax levied under (b) herein shall relate to and be imposed on the net profits of any business, profession or other activity.

The tax levied hereunder shall be applicable to earned income received and to net profits earned in the period beginning July 1 of the current year, and ending December 31 of the current year, or for the taxpayer's fiscal year beginning in said period; and the tax shall continue in force on a calender year or taxpayer fiscal year basis thereafter, without annual re-enactment, unless the rate is subsequently changed. Changes in rate shall become effective on the date specified in the Ordinance.

Section 3. Section 13 of the Act of December 31, 1965, P. L. 1257 (53 P.S. 6913) and its amendments from time to time, (portions of which are attached hereto and designated Exhibit "A") is hereby adopted and incorporated by reference to the same extent as if the full text of the said section were set out verbatim in this ordinance, execept that:

(a) In the case of net profits, the Township of Farmington elects to operate under the option set forth in subsection III-A-1 (ii), requiring an annual declaration of estimated net profits and quarterly payments thereof, (rather than annual payments of the tax due on net profits for the preceding year as provided in subsection III-A-1 (i)).

(b) In the case of earned income not subject to



withholding, the Township of Farmington elects to operate under the option set forth in subsection III-B-(2) requiring quarterly returns, with accompanying payment of the tax, (rather than the annual return and payment of the tax for the preceding year as set forth in subsection III-B-(1)); provided, however: the income tax Officer may provide by regulation for the making and filing of adjusted declarations of estimated net profits and for the payment of the estimated tax on net profits, in cases where a taxpayer who has previously filed a declaration of estimated net profits anticipates additional net profits not previously declared, or finds that he has overestimated his anticipated net profits, and further except that,

(c) as to the period of time from July 1, 1975 until December 31, 1975 only, (after which time the full provisions of subsection III as to dates shall apply) the following provisions shall be in effect:

1) Net profits: Every taxpayer making net profits shall, on or before September 15, 1975, make and file with the Officer on a form prescribed and approved by the Officer, a declaration of his estimated net profits during the period beginning July 1, 1975, and ending December 31, 1975 and pay to the Officer in two equal quarterly installments the tax due thereon as follows: The first installment at the time of filing the declaration and the remaining installment on or before December 31, 1975.

Every such taxpayer shall, on or before April 15, 1976 make and file with the Officers on a form prescribed and approved by the Officer, a final return showing the net profits earned during the period beginning July 1, 1975 and ending December 31, 1975, 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 the Officer the balance of tax due or shall make demand for refund or credit in case of overpayment.

2) 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 of IV of Section 13 of the Act relating to collection at source, shall, on or before October 31, 1975, make and file with the Officer on a form prescribed and approved by the Officer, a quarterly return setting forth the aggregate amount of earned income not subject to withholding by him during the three-month period, July 1, 1975 to September 30, 1975 and shall, on or before January 31, 1976 make and file a return setting forth the aggregate amount of such earned income during the three-month period, October 1, 1975 to December 31, 1975, and subject to tax, together with such other information as the Officer may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the Officer the amount of tax shown as due thereon.

3) Earned Income Subject to Withholding: As to earned income subject to withholding, the provisions of IV of Section 13 of the Act relating to collection at source, shall fully apply for the year 1975 for income earned after July 1, 1975 and taxes imposed by this Ordinance or resolution shall be deducted at the time of payment thereof and every employer shall, on or before October 31, 1975 and January 31, 1976, file a return and pay to the Officer the amount of taxes deducted during the preceding three-month period ending September 30, 1975 and December 31, 1975 respectively.

On or before February 28, 1976, 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 July 1, 1975 and ending December 31, 1975.

(2) a return withholding statement for each employee employed during any or all part of the period beginning July 1, 1975 and ending December 31, 1975 setting forth the employee's



name, address, social security number, the amount of earned income paid to the employee during said period, the amount of tax deducted, the taxing district imposing the tax upon such employee, the amount of tax paid to the Officer. Every employer shall furnish two copies of the individual return to the employee for whom it is filed.

Every employer who discontinues business prior to December 31, 1975, shall within thirty (30) days after the discontinuance of business, file the returns and withholding statements herein above required and pay the tax due.

Every employer who willfully or negligently fails or omits to make the deductions required by this section shall be liable for the payment of the taxes which he was required to withhold to the extent that such taxes have not been recovered from the employee.

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 ordinance or resolution relating to the filing of declarations and returns.

Section 4. The provisions hereof are severable. If any sentence, clause or section hereof 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 hereof. It is hereby declared to be the intent of the governing body of the taxing district, that this ordinance or resolution would have been adopted has such unconstitutional, illegal or invalid sentence, clause or section had not been included herein.

ENACTED AND ORDAINED, this 5th day of May, A. D., 1975.

ATTEST:

Madeline Smith  
Secretary

James Phelps  
Bernard J. Statton  
William P. Thompson  
Board of Supervisors

CERTIFICATE

The undersigned secretary of the Township of Farmington ,  
Tioga County, Pennsylvania, hereby does certify that the foregoing  
is a true and correct copy of an Ordinance duly adopted by a  
majority of votes of the entire Board of Supervisors of the  
Township of Farmington at a meeting of said Board duly convened  
according to law and held on May 5, 1975 at which meeting a quorum  
was present; that said Ordinance has been duly recorded in the  
minutes of said Township of Farmington and that said Ordinance  
remains in full force and effect, unaltered and unamended as of  
this date.

IN WITNESS WHEREOF, I hereunto affix my hand and official  
seal of the Township of Farmington, Tioga County, Pennsylvania,  
this 5th day of May, 1975.

Madeline Smith  
Secretary