

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 319

Session of
1975

INTRODUCED BY MORRIS, SHANE, RUGGIERO, KOWALYSHYN, ZELLER,
ECKENSBERGER, LETTERMAN AND RENWICK, FEBRUARY 10, 1975

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, FEBRUARY 10, 1975

AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),
2 entitled "An act empowering cities of the second class,
3 cities of the second class A, cities of the third class,
4 boroughs, towns, townships of the first class, townships of
5 the second class, school districts of the second class,
6 school districts of the third class and school districts of
7 the fourth class including independent school districts, to
8 levy, assess, collect or to provide for the levying,
9 assessment and collection of certain taxes subject to maximum
10 limitations for general revenue purposes; authorizing the
11 establishment of bureaus and the appointment and compensation
12 of officers, agencies and employes to assess and collect such
13 taxes; providing for joint collection of certain taxes,
14 prescribing certain definitions and other provisions for
15 taxes levied and assessed upon earned income, providing for
16 annual audits and for collection of delinquent taxes, and
17 permitting and requiring penalties to be imposed and
18 enforced, including penalties for disclosure of confidential
19 information, providing an appeal from the ordinance or
20 resolution levying such taxes to the court of quarter
21 sessions and to the Supreme Court and Superior Court,"
22 prohibiting the levying, assessing or collecting of any tax
23 on occupations.

24 The General Assembly of the Commonwealth of Pennsylvania
25 hereby enacts as follows:

26 Section 1. Section 2, act of December 31, 1965 (P.L.1257,
27 No.511), known as "The Local Tax Enabling Act," amended December
28 13, 1974 (No.310), is amended and a clause is added to read:

1 Section 2. Delegation of Taxing Powers and Restrictions

2 Thereon.--The duly constituted authorities of the following
3 political subdivisions, cities of the second class, cities of
4 the second class A, cities of the third class, boroughs, towns,
5 townships of the first class, townships of the second class,
6 school districts of the second class, school districts of the
7 third class, and school districts of the fourth class, in all
8 cases including independent school districts, may, in their
9 discretion, by ordinance or resolution, for general revenue
10 purposes, levy, assess and collect or provide for the levying,
11 assessment and collection of such taxes as they shall determine
12 on persons, transactions, [occupations,] privileges, subjects
13 and personal property within the limits of such political
14 subdivisions, and upon the transfer of real property, or of any
15 interest in real property, situate within the political
16 subdivision levying and assessing the tax, regardless of where
17 the instruments making the transfers are made, executed or
18 delivered or where the actual settlements on such transfer take
19 place. The taxing authority may provide that the transferee
20 shall remain liable for any unpaid realty transfer taxes imposed
21 by virtue of this act. Each local taxing authority may, by
22 ordinance or resolution, exempt any person whose total income
23 from all sources is less than three thousand two hundred dollars
24 (\$3,200) per annum from the per capita or similar head tax,
25 [occupation tax] and occupational privilege tax, or any portion
26 thereof, and may adopt regulations for the processing of claims
27 for exemptions. Such local authorities shall not have authority
28 by virtue of this act:

29 * * *

30 (8.1) To levy, assess or collect any tax on occupations

1 whether using a flat rate or a millage or percentage of any
2 value placed on various occupations as a basis for such tax.

3 * * *

4 Section 2. Clause (7) of section 8 of the act is repealed.

5 Section 3. Section 19 of the act, amended August 6, 1971
6 (P.L.279, No.71), is amended to read:

7 Section 19. Collection of Delinquent Per Capita
8 [Occupation,] Occupational Privilege and Earned Income Taxes
9 from Employers, etc.--The tax collector shall demand, receive
10 and collect from all corporations, political subdivisions,
11 associations, companies, firms or individuals, employing persons
12 owing delinquent per capita, or [occupation,] occupational
13 privilege and earned income taxes, or whose wife owes delinquent
14 per capita, [occupation,] occupational privilege and earned
15 income taxes, or having in possession unpaid commissions or
16 earnings belonging to any person or persons owing delinquent per
17 capita, [occupation,] occupational privilege and earned income
18 taxes, or whose wife owes delinquent per capita, [occupation,]
19 occupational privilege and earned income taxes, upon the
20 presentation of a written notice and demand certifying that the
21 information contained therein is true and correct and containing
22 the name of the taxable or the husband thereof and the amount of
23 tax due. Upon the presentation of such written notice and
24 demand, it shall be the duty of any such corporation, political
25 subdivision, association, company, firm or individual to deduct
26 from the wages, commissions or earnings of such individual
27 employes, then owing or that shall within sixty days thereafter
28 become due, or from any unpaid commissions or earnings of any
29 such taxable in its or his possession, or that shall within
30 sixty days thereafter come into its or his possession, a sum

1 sufficient to pay the respective amount of the delinquent per
2 capita, [occupation,] occupational privilege and earned income
3 taxes and costs, shown upon the written notice or demand, and to
4 pay the same to the tax collector of the taxing district in
5 which such delinquent tax was levied within sixty days after
6 such notice shall have been given. No more than ten percent of
7 the wages, commissions or earnings of the delinquent taxpayer or
8 husband thereof may be deducted at any one time for delinquent
9 per capita, occupation, occupational privilege and earned income
10 taxes and costs. Such corporation, political subdivision,
11 association, firm or individual shall be entitled to deduct from
12 the moneys collected from each employe the costs incurred from
13 the extra bookkeeping necessary to record such transactions, not
14 exceeding two percent of the amount of money so collected and
15 paid over to the tax collector. Upon the failure of any such
16 corporation, political subdivision, association, company, firm
17 or individual to deduct the amount of such taxes or to pay the
18 same over to the tax collector, less the cost of bookkeeping
19 involved in such transaction, as herein provided, within the
20 time hereby required, such corporation, political subdivision,
21 association, company, firm or individual shall forfeit and pay
22 the amount of such tax for each such taxable whose taxes are not
23 withheld and paid over, or that are withheld and not paid over
24 together with a penalty of ten percent added thereto, to be
25 recovered by an action of assumpsit in a suit to be instituted
26 by the tax collector, or by the proper authorities of the taxing
27 district, as debts of like amount are now by law recoverable,
28 except that such person shall not have the benefit of any stay
29 of execution or exemption law.

30 Section 4. Section 20 of the act is amended to read:

1 Section 20. Collection of Delinquent Per Capita,
2 [Occupation,] Occupational Privilege and Earned Income Taxes
3 from the Commonwealth.--Upon presentation of a written notice
4 and demand under oath or affirmation, to the State Treasurer or
5 any other fiscal officer of the State, or its boards,
6 authorities, agencies or commissions, it shall be the duty of
7 the treasurer or officer to deduct from the wages then owing, or
8 that shall within sixty days thereafter become due to any
9 employee, a sum sufficient to pay the respective amount of the
10 delinquent per capita, [occupation,] occupational privilege and
11 earned income taxes and costs shown on the written notice. The
12 same shall be paid to the tax collector of the taxing district
13 in which said delinquent tax was levied within sixty days after
14 such notice shall have been given.