

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2439 Session of
1980

INTRODUCED BY THOMAS, LASHINGER, DeVERTER, A. K. HUTCHINSON,
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GLADECK, WASS, KLINGAMAN AND GAMBLE, APRIL 1, 1980

REFERRED TO COMMITTEE ON FINANCE, APRIL 1, 1980

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 repealing occupation taxes based on a percentage, millage or
23 flat rate basis, repealing per capita taxes, further
24 providing for credits to and deductions from taxes owed to
25 political subdivisions other than the political subdivision
26 of residence and making editorial changes and repeals.

27 The General Assembly of the Commonwealth of Pennsylvania
28 hereby enacts as follows:

1 Section 1. The introductory paragraph and clauses (4) and
2 (9) of section 2, act of December 31, 1965 (P.L.1257, No.511),
3 known as "The Local Tax Enabling Act," the introductory
4 paragraph amended July 1, 1978 (P.L.592, No.113), are amended,
5 and the section is amended by adding clauses to read:

6 Section 2. Delegation of Taxing Powers and Restrictions
7 Thereon.--The duly constituted authorities of the following
8 political subdivisions, cities of the second class, cities of
9 the second class A, cities of the third class, boroughs, towns,
10 townships of the first class, townships of the second class,
11 school districts of the second class, school districts of the
12 third class, and school districts of the fourth class, in all
13 cases including independent school districts, may, in their
14 discretion, by ordinance or resolution, for general revenue
15 purposes, levy, assess and collect or provide for the levying,
16 assessment and collection of such taxes as they shall determine
17 on persons, transactions, [occupations,] privileges, subjects
18 and personal property within the limits of such political
19 subdivisions, and upon the transfer of real property, or of any
20 interest in real property, situate within the political
21 subdivision levying and assessing the tax, regardless of where
22 the instruments making the transfers are made, executed or
23 delivered or where the actual settlements on such transfer take
24 place. The taxing authority may provide that the transferee
25 shall remain liable for any unpaid realty transfer taxes imposed
26 by virtue of this act. Each local taxing authority may, by
27 ordinance or resolution, exempt any person whose total income
28 from all sources is less than three thousand two hundred dollars
29 (\$3,200) per annum from the [per capita or similar head tax,
30 occupation tax and occupational privilege] municipal services

1 tax, or earned income tax, or any portion thereof, and may adopt
2 regulations for the processing of claims for exemptions. Such
3 local authorities shall not have authority by virtue of this
4 act:

5 * * *

6 (4) To levy, assess and collect a tax on goods and articles
7 manufactured in such political subdivision or on the by-products
8 of manufacture, or on minerals, timber, natural resources and
9 farm products produced in such political subdivision or on the
10 preparation or processing thereof for use or market, or on any
11 privilege, act or transaction related to the business of
12 manufacturing, the production, preparation or processing of
13 minerals, timber and natural resources, or farm products, by
14 manufacturers, by producers and by farmers with respect to the
15 goods, articles and products of their own manufacture,
16 production or growth, or on any privilege, act or transaction
17 relating to the business of processing by-products of
18 manufacture, or on the transportation, loading, unloading or
19 dumping or storage of such goods, articles, products or by-
20 products; except that local authorities may levy, assess and
21 collect taxes on the [occupation, occupational privilege, per
22 capita and] earned income [or net profits] or for municipal
23 services of natural persons engaged in the above activities
24 whether doing business as individual proprietorship or as
25 members of partnerships or other associations;

26 * * *

27 (9) To levy, assess or collect any tax on individuals for
28 the privilege of engaging in an occupation [(occupational
29 privilege tax)] except that [such] a municipal services tax may
30 be levied, assessed and collected but only by the [political

1 subdivision] city, borough, town or township of the taxpayer's
2 place of employment.

3 Payment of any [occupational privilege] municipal services
4 tax to any [political subdivision] city, borough, town or
5 township by any person pursuant to an ordinance or resolution
6 passed or adopted under the authority of this act shall be
7 limited to [ten dollars (\$10)] twenty-five dollars (\$25) on each
8 person for each calendar year.

9 The situs of [such] the municipal services tax shall be the
10 place of employment, but, in the event a person is engaged in
11 more than one occupation, or an occupation which requires his
12 working in more than one political subdivision during the
13 calendar year, the priority of claim to collect such
14 [occupational privilege] municipal services tax shall be in the
15 following order: first, the [political subdivision] city,
16 borough, town or township in which a person maintains his
17 principal office or is principally employed; second, the
18 [political subdivision] city, borough, town or township in which
19 the person resides and works, if such a tax is levied by that
20 [political subdivision] city, borough, town or township; third,
21 the [political subdivision] city, borough, town or township in
22 which a person is employed and which imposes the tax nearest in
23 miles to the person's home. The place of employment shall be
24 determined as of the day the taxpayer first becomes subject to
25 the tax during the calendar year.

26 It is the intent of this provision that no person shall pay
27 more than [ten dollars (\$10)] twenty-five dollars (\$25) in any
28 calendar year as [an occupational privilege] a municipal
29 services tax irrespective of the number of [political
30 subdivisions] cities, boroughs, towns or townships within which

1 such person may be employed within any given calendar year.

2 In case of dispute, a tax receipt of the taxing authority for
3 that calendar year declaring that the taxpayer has made prior
4 payment which constitutes prima facie certification of payment
5 to all other [political subdivisions] cities, boroughs, towns or
6 townships.

7 * * *

8 (11) To levy, assess or collect any tax on occupations using
9 a millage or percentage of any value, a flat rate or any
10 arbitrary value placed on various occupations as a basis for
11 such tax.

12 (12) To levy, assess or collect any per capita or similar
13 head tax.

14 (13) To levy, assess or collect a tax on residential
15 construction.

16 Section 2. Section 8 of the act, amended December 27, 1967
17 (P.L.894, No.404), is amended to read:

18 Section 8. Limitations on Rates of Specific Taxes.--No taxes
19 levied under the provisions of this act shall be levied by any
20 political subdivision on the following subjects exceeding the
21 rates specified in this section:

22 [(1) Per capita, poll or other similar head taxes, ten
23 dollars (\$10).]

24 (2) On each dollar of the whole volume of business
25 transacted by wholesale dealers in goods, wares and merchandise,
26 one mill, by retail dealers in goods, wares and merchandise and
27 by proprietors of restaurants or other places where food, drink
28 and refreshments are served, one and one-half mills; except in
29 cities of the second class, where rates shall not exceed one
30 mill on wholesale dealers and two mills on retail dealers and

1 proprietors. No such tax shall be levied on the dollar volume of
2 business transacted by wholesale and retail dealers derived from
3 the resale of goods, wares and merchandise, taken by any dealer
4 as a trade-in or as part payment for other goods, wares and
5 merchandise, except to the extent that the resale price exceeds
6 the trade-in allowance.

7 (3) On wages, salaries, commissions and other earned income
8 of individuals, one percent for cities, boroughs, towns and
9 townships, and two percent for school districts of the second
10 class, school districts of the third class and school districts
11 of the fourth class including independent school districts,
12 notwithstanding the general provisions of this section relative
13 to rate sharing between political subdivisions.

14 (4) On retail sales involving the transfer of title or
15 possession of tangible personal property, two percent.

16 (5) On the transfer of real property, one percent.

17 (6) On admissions to places of amusement, athletic events
18 and the like, and on motion picture theatres [in cities of the
19 second class], ten percent.

20 [(7) Flat rate occupation taxes not using a millage or
21 percentage as a basis, ten dollars (\$10).]

22 (8) [Occupational privilege taxes, ten dollars (\$10).]
23 Municipal services tax, twenty-five dollars (\$25).

24 Except as otherwise provided in this act, at any time two
25 political subdivisions shall impose any one of the above taxes
26 on the same person, subject, business, transaction or privilege,
27 located within both such political subdivisions, during the same
28 year or part of the same year, under the authority of this act
29 then the tax levied by a political subdivision under the
30 authority of this act shall, during the time such duplication of

1 the tax exists, except as hereinafter otherwise provided, be
2 one-half of the rate, as above limited, and such one-half rate
3 shall become effective by virtue of the requirements of this act
4 from the day such duplication becomes effective without any
5 action on the part of the political subdivision imposing the tax
6 under the authority of this act. When any one of the above taxes
7 has been levied under the provisions of this act by one
8 political subdivision and a subsequent levy is made either for
9 the first time or is revived after a lapse of time by another
10 political subdivision on the same person, subject, business,
11 transaction or privilege at a rate that would make the combined
12 levies exceed the limit allowed by this subdivision, the tax of
13 the second political subdivision shall not become effective
14 until the end of the fiscal year for which the prior tax was
15 levied, unless:

16 (1) Notice indicating its intention to make such levy is
17 given to the first taxing body by the second taxing body as
18 follows: (i) when the notice is given to a school district it
19 shall be given at least forty-five days prior to the last day
20 fixed by law for the levy of its school taxes; (ii) when given
21 to any other political subdivision it shall be prior to the
22 first day of January immediately preceding, or if a last day for
23 the adoption of the budget is fixed by law, at least forty-five
24 days prior to such last day; or

25 (2) Unless the first taxing body shall indicate by
26 appropriate resolution its desire to waive notice requirements
27 in which case the levy of the second taxing body shall become
28 effective on such date as may be agreed upon by the two taxing
29 bodies.

30 It is the intent and purpose of this provision to limit rates

1 of taxes referred to in this section so that the entire burden
2 of one tax on a person, subject, business, transaction or
3 privilege shall not exceed the limitations prescribed in this
4 section: Provided, however, That any two political subdivisions
5 which impose any one of the above taxes, on the same person,
6 subject, business, transaction or privilege during the same year
7 or part of the same year may agree among themselves that,
8 instead of limiting their respective rates to one-half of the
9 maximum rate herein provided, they will impose respectively
10 different rates, the total of which shall not exceed the maximum
11 rate as above permitted.

12 [Notwithstanding the provisions of this section, any city of
13 the second class A may enact a tax upon wages, salaries,
14 commissions and other earned income of individuals resident
15 therein, not exceeding one percent, even though a school
16 district levies a similar tax on the same person provided that
17 the aggregate of both taxes does not exceed two percent.]

18 Section 3. Section 9 of the act, amended December 12, 1968
19 (P.L.1203, No.377), is amended to read:

20 Section 9. Register for Earned Income and [Occupational
21 Privilege] Municipal Services Taxes.--It shall be the duty of
22 the Department of Community Affairs to have available an
23 official continuing register supplemented annually of all earned
24 income and [occupational privilege] municipal services taxes
25 levied under authority of this act. The register and its
26 supplements, hereinafter referred to as the register, shall list
27 such jurisdictions levying earned income and/or [occupational
28 privilege] municipal services taxes, the rate of the tax as
29 stated in the tax levying ordinance or resolution, and the
30 effective rate on resident and nonresident taxpayers, if

1 different from the stated rate because of a coterminous levy,
2 the name and address of the officer responsible for
3 administering the collection of the tax and from whom
4 information, forms for reporting and copies of rules and
5 regulations are available. With each jurisdiction listed, all
6 jurisdictions making coterminous levies shall also be noted and
7 their tax rates shown.

8 Information for the register shall be furnished by the
9 secretary of each taxing body to the Department of Community
10 Affairs in such manner and on such forms as the Department of
11 Community Affairs may prescribe. The information must be
12 received by the Department of Community Affairs by certified
13 mail not later than May 31 of each year to show new tax
14 enactments, repeals and changes. Failure to comply with this
15 date for filing may result in the omission of the levy from the
16 register for that year. Failure of the Department of Community
17 Affairs to receive information of taxes continued without change
18 may be construed by the department to mean that the information
19 contained in the previous register remains in force.

20 The Department of Community Affairs shall have the register
21 with such annual supplements as may be required by new tax
22 enactments, repeals or changes available upon request not later
23 than July 1 of each year. The effective period for each register
24 shall be from July 1 of the year in which it is issued to June
25 30 of the following year.

26 Employers shall not be required by any local ordinance to
27 withhold from the wages, salaries, commissions or other
28 compensation of their employes any tax imposed under the
29 provisions of this act, which is not listed in the register, or
30 make reports of wages, salaries, commissions or other

1 compensation in connection with taxes not so listed: Provided,
2 That if the register is not available by July 1, the register of
3 the previous year shall continue temporarily in effect for an
4 additional period not to exceed one year. The provisions of this
5 section shall not affect the liability of any taxpayer for taxes
6 lawfully imposed under this act.

7 Ordinances or resolutions imposing earned income or
8 [occupational privilege] municipal services taxes under
9 authority of this act may contain provisions requiring employers
10 doing business within the jurisdiction of the political
11 subdivision imposing the tax to withhold the tax from the
12 compensation of those of their employees who are subject to the
13 tax: Provided, That no employer shall be held liable for failure
14 to withhold earned income taxes or for the payment of such
15 withheld tax money to a political subdivision other than the
16 political subdivision entitled to receive such money if such
17 failure to withhold or such incorrect transmittal of withheld
18 taxes arises from incorrect information as to the employee's
19 place of residence submitted by the employee: And provided
20 further, That employers shall not be required by any local
21 ordinance to withhold from compensation for any one of their
22 employees for the [occupational privilege] municipal services tax
23 more than one time in any fiscal period: And provided further,
24 That the [occupational privilege] municipal services tax shall
25 be applicable to employment in the period beginning January 1,
26 of the current year and ending December 31 of the current year,
27 except that taxes imposed for the first time shall become
28 effective from the date specified in the ordinance or
29 resolution, and the tax shall continue in force on a calendar
30 year basis.

Section 4. Section 14 of the act, amended October 26, 1972 (P.L.1043, No.261), is amended to read:

Section 14. Payment of Tax to Other Political Subdivisions or States as Credit or Deduction; Withholding Tax.--[Payment of any tax to any political subdivision pursuant to an ordinance or resolution passed or adopted prior to the effective date of this act shall be credited to and allowed as a deduction from the liability of taxpayers for any like tax respectively on salaries, wages, commissions, other compensation or on net profits of businesses, professions or other activities and for any income tax imposed by any other political subdivision of this Commonwealth under the authority of this act.]

Payment of any tax on salaries, wages, commissions, other compensation or on net profits of business, professions or other activities to a political subdivision by residents thereof pursuant to an ordinance or resolution passed or adopted under the authority of this act shall be credited to and allowed as a deduction from the liability of such persons for any other like tax respectively on salaries, wages, commissions, other compensation or on net profits of businesses, professions or other activities imposed by any other political subdivision of this Commonwealth under the authority of this act.

[Payment] Fifty percent of any tax paid on income to any political subdivision by residents thereof pursuant to an ordinance or resolution passed or adopted under the authority of this act shall, to the extent that such income includes salaries, wages, commissions, other compensation or net profits of businesses, professions or other activities, but in such proportion as hereinafter set forth, be credited to and allowed as a deduction from the liability of such persons for any other

1 tax on salaries, wages, commissions, other compensation or on
2 net profits of businesses, professions, or other activities
3 imposed by any other political subdivision of this Commonwealth
4 under the authority of [this act.] the act of August 5, 1932
5 (Sp.Sess., P.L.45, No.45), entitled, as amended, "An act
6 empowering cities of the first class to levy, assess and
7 collect, or to provide for the levying, assessment and
8 collection of, certain additional taxes for general revenue
9 purposes; authorizing the establishment of bureaus, and the
10 appointment and compensation of officers and employes to assess
11 and collect such taxes; and permitting penalties to be imposed
12 and enforced."

13 Payment of any tax on income to any state or to any political
14 subdivision thereof by residents thereof, pursuant to any State
15 or local law, may, at the discretion of the Pennsylvania
16 political subdivision imposing such tax, to the extent that such
17 income includes salaries, wages, commissions, or other
18 compensation or net profits of businesses, professions or other
19 activities but in such proportions as hereinafter set forth, be
20 credited to and allowed as a deduction from the liability of
21 such person for any other tax on salaries, wages, commissions,
22 other compensation or net profits of businesses, professions or
23 other activities imposed by any political subdivision of this
24 Commonwealth under the authority of this act, if residents of
25 the political subdivision in Pennsylvania received credits and
26 deductions of a similar kind to a like degree from the tax on
27 income imposed by the other state or political subdivision
28 thereof.

29 Payment of any tax on income to any State other than
30 Pennsylvania or to any political subdivision located outside the

1 boundaries of this Commonwealth, by residents of a political
2 subdivision located in Pennsylvania shall, to the extent that
3 such income includes salaries, wages, commissions, or other
4 compensation or net profits of businesses, professions or other
5 activities but in such proportions as hereinafter set forth, be
6 credited to and allowed as a deduction from the liability of
7 such person for any other tax on salaries, wages, commissions,
8 other compensation or net profits of businesses, professions or
9 other activities imposed by any political subdivision of this
10 Commonwealth under the authority of this act.

11 Where a credit or a deduction is allowable in any of the
12 several cases hereinabove provided, it shall be allowed in
13 proportion to the concurrent periods for which taxes are imposed
14 by the other state or respective political subdivisions, but not
15 in excess of the amount previously paid for a concurrent period.

16 No credit or deduction shall be allowed against any tax on
17 earned income imposed under authority of this act to the extent
18 of the amount of credit or deduction taken for the same period
19 by the taxpayer against any income tax imposed by the
20 Commonwealth of Pennsylvania under section 314 of the act of
21 March 4, 1971 (P.L.6, No.2) known as the "Tax Reform Code of
22 1971," on account of taxes imposed on income by other states or
23 by their political subdivisions.

24 In the case of tax paid on income to any state other than
25 Pennsylvania or to any political subdivision located outside the
26 boundaries of the Commonwealth by residents of a political
27 subdivision located in Pennsylvania, the credit provided in this
28 section shall not exceed the proportion of the income tax
29 otherwise due that the amount of the taxpayer's income subject
30 to tax by the other jurisdiction bears to his entire taxable

1 income.

2 Section 5. Section 17 of the act is amended to read:

3 Section 17. Tax Limitations.--(a) Over-all Limit of Tax
4 Revenues.--The aggregate amount of all taxes imposed by any
5 political subdivision under this section and in effect during
6 any fiscal year shall not exceed an amount equal to the product
7 obtained by multiplying the latest total market valuation of
8 real estate in such political subdivision, as determined by the
9 board for the assessment and revision of taxes or any similar
10 board established by the assessment laws which determines market
11 values of real estate within the political subdivision, by
12 [twelve] eighteen mills. In school districts of the second
13 class, third class and fourth class and in any political
14 subdivision within a county where no market values of real
15 estate have been determined by the board for the assessment and
16 revision of taxes, or any similar board, the aggregate amount of
17 all taxes imposed under this section and in effect during any
18 fiscal year shall not exceed an amount equal to the product
19 obtained by multiplying the latest total market valuation of
20 real estate in such school district, or other political
21 subdivision, as certified by the State Tax Equalization Board,
22 by [twelve] eighteen mills. In school districts of the third and
23 fourth class, taxes imposed on sales involving the transfer of
24 real property shall not be included in computing the aggregate
25 amount of taxes for any fiscal year in which one hundred or more
26 new homes or other major improvements on real estate were
27 constructed in the school district.

28 The aggregate amount of all taxes imposed by any independent
29 school district under this section during any fiscal year shall
30 not exceed an amount equal to the product obtained by

1 multiplying the latest total valuation of real estate in such
2 district by [fifteen] eighteen mills.

3 (b) Reduction of Rates Where Taxes Exceed Limitations; Use
4 of Excess Moneys.--If, during any fiscal year, it shall appear
5 that the aggregate revenues from taxes levied and collected
6 under the authority of this act will materially exceed the
7 limitations imposed by this act, the political subdivision shall
8 forthwith reduce the rate or rates of such tax or taxes to stay
9 within such limitations as nearly as may be. Any one or more
10 persons liable for the payment of taxes levied and collected
11 under the authority of this act shall have the right to complain
12 to the court of common pleas of the county in an action of
13 mandamus to compel compliance with the preceding provision of
14 this subsection. Tax moneys levied and collected in any fiscal
15 year in excess of the limitations imposed by this act shall not
16 be expended during such year, but shall be deposited in a
17 separate account in the treasury of the political subdivision
18 for expenditure in the following fiscal year. The rates of taxes
19 imposed under this act for the following fiscal year shall be so
20 fixed that the revenues thereby produced, together with the
21 excess tax moneys on deposit as aforesaid, shall not exceed the
22 limitations imposed by this act.

23 For the first calendar year or fiscal year for which any
24 political subdivision levies the income tax provided for in
25 section 13, it shall set its tax rates so that the total
26 budgeted revenues from all local taxes do not exceed one hundred
27 ten percent of revenues from all local taxes in the calendar
28 year or fiscal year immediately preceding the initial levying of
29 the income tax. It is the intent of the General Assembly that
30 revenues from the earned income tax be used first to replace

1 revenues previously received from subjects of taxation which
2 have been eliminated or repealed from or by the provisions of
3 this act. It is also the intent of the General Assembly that
4 revenues from the increased earned income tax which exceed
5 revenues previously received from subjects of taxation which
6 have been eliminated or repealed from or by the provisions of
7 this act be used to replace revenues from the tax on real
8 property by reducing the rate of tax on real property: Provided,
9 That such adjustments in the rates of taxation be made by the
10 local taxing body, and that total revenues in the first year a
11 taxing body uses the increased tax be limited only as provided
12 in this section.

13 Section 6. Section 19 of the act, amended October 4, 1978
14 (P.L.930, No.177), is amended to read:

15 Section 19. Collection of Delinquent [Per Capita,
16 Occupation, Occupational Privilege and] Earned Income and
17 Municipal Services Taxes from Employers, etc.--The tax collector
18 shall demand, receive and collect from all corporations,
19 political subdivisions, associations, companies, firms or
20 individuals, employing persons owing delinquent [per capita, or
21 occupation, occupational privilege and] earned income and
22 municipal services taxes, or whose spouse owes delinquent [per
23 capita, occupation, occupational privilege and] earned income
24 and municipal services taxes, or having in possession unpaid
25 commissions or earnings belonging to any person or persons owing
26 delinquent [per capita, occupation, occupational privilege and]
27 earned income and municipal services taxes, or whose spouse owes
28 delinquent [per capita, occupation, occupational privilege and]
29 earned income and municipal services taxes, upon the
30 presentation of a written notice and demand certifying that the

1 information contained therein is true and correct and containing
2 the name of the taxable or the spouse thereof and the amount of
3 tax due. Upon the presentation of such written notice and
4 demand, it shall be the duty of any such corporation, political
5 subdivision, association, company, firm or individual to deduct
6 from the wages, commissions or earnings of such individual
7 employes, then owing or that shall within sixty days thereafter
8 become due, or from any unpaid commissions or earnings of any
9 such taxable in its or his possession, or that shall within
10 sixty days thereafter come into its or his possession, a sum
11 sufficient to pay the respective amount of the delinquent [per
12 capita, occupation, occupational privilege and] earned income
13 and municipal services taxes and costs, shown upon the written
14 notice or demand, and to pay the same to the tax collector of
15 the taxing district in which such delinquent tax was levied
16 within sixty days after such notice shall have been given. No
17 more than ten percent of the wages, commissions or earnings of
18 the delinquent taxpayer or spouse thereof may be deducted at any
19 one time for delinquent [per capita, occupation, occupational
20 privilege and] earned income and municipal services taxes and
21 costs. Such corporation, political subdivision, association,
22 firm or individual shall be entitled to deduct from the moneys
23 collected from each employe the costs incurred from the extra
24 bookkeeping necessary to record such transactions, not exceeding
25 two percent of the amount of money so collected and paid over to
26 the tax collector. Upon the failure of any such corporation,
27 political subdivision, association, company, firm or individual
28 to deduct the amount of such taxes or to pay the same over to
29 the tax collector, less the cost of bookkeeping involved in such
30 transaction, as herein provided, within the time hereby

1 required, such corporation, political subdivision, association,
2 company, firm or individual shall forfeit and pay the amount of
3 such tax for each such taxable whose taxes are not withheld and
4 paid over, or that are withheld and not paid over together with
5 a penalty of ten percent added thereto, to be recovered by an
6 action of assumpsit in a suit to be instituted by the tax
7 collector, or by the proper authorities of the taxing district,
8 as debts of like amount are now by law recoverable, except that
9 such person shall not have the benefit of any stay of execution
10 or exemption law. The tax collector shall not proceed against a
11 spouse or his employer until he has pursued collection remedies
12 against the delinquent taxpayer and his employer under this
13 section.

14 Section 7. Section 20 of the act is amended to read:

15 Section 20. Collection of Delinquent [Per Capita,
16 Occupation, Occupational Privilege and] Earned Income and
17 Municipal Services Taxes from the Commonwealth.--Upon
18 presentation of a written notice and demand under oath or
19 affirmation, to the State Treasurer or any other fiscal officer
20 of the State, or its boards, authorities, agencies or
21 commissions, it shall be the duty of the treasurer or officer to
22 deduct from the wages then owing, or that shall within sixty
23 days thereafter become due to any employe, a sum sufficient to
24 pay the respective amount of the delinquent [per capita,
25 occupation, occupational privilege and] earned income and
26 municipal services taxes and costs shown on the written notice.
27 The same shall be paid to the tax collector of the taxing
28 district in which said delinquent tax was levied within sixty
29 days after such notice shall have been given.

30 Section 8. During the first year after enactment of this

1 act, the credit added by section 14 of the act shall be
2 applicable only to residents of political subdivisions which
3 previously levied the earned income tax.

4 Section 9. (a) The following acts or parts of acts, their
5 amendments and supplements, are repealed insofar as they relate
6 to the levy, assessment and collection of per capita or
7 occupation taxes:

8 Section 2531, act of June 23, 1931 (P.L.932, No.317),
9 reenacted June 28, 1951 (P.L.662, No.164), known as "The Third
10 Class City Code."

11 Section 1709, act of June 24, 1931 (P.L.1206, No.331),
12 reenacted May 27, 1949 (P.L.1955, No.569), known as "The First
13 Class Township Code."

14 Act of June 26, 1931 (P.L.1379, No.348), entitled, as
15 amended, "An act creating in counties of the second A and third
16 class a board for the assessment and revision of taxes;
17 providing for the appointment of the members of such board by
18 the county commissioners; providing for their salaries, payable
19 by the county; abolishing existing boards; defining the powers
20 and duties of such board; regulating the assessment of persons,
21 property, and occupations for county, borough, town, township,
22 school, and poor purposes; authorizing the appointment of
23 subordinate assessors, a solicitor, engineers, and clerks;
24 providing for their compensation, payable by such counties;
25 abolishing the office of ward, borough, and township assessors,
26 so far as the making of assessments and valuations for taxation
27 is concerned; and providing for the acceptance of this act by
28 cities."

29 Section 905, act of May 1, 1933 (P.L.103, No.69), reenacted
30 July 10, 1947 (P.L.1481, No.567), known as "The Second Class

1 Township Code."

2 Subsection (b) of section 201, section 202 and Articles IV
3 and V, act of May 22, 1933 (P.L.853, No.155), known as "The
4 General County Assessment Law."

5 Act of June 21, 1939 (P.L.626, No.294), entitled "An act
6 providing for and regulating the assessment and valuation of all
7 subjects of taxation in counties of the second class; creating
8 and prescribing the powers and duties of a Board of Property
9 Assessment, Appeals and Review; imposing duties on certain
10 county and city officers; abolishing the board for the
11 assessment and revision of taxes in such counties; and
12 prescribing penalties."

13 Subsection (b) of section 201, subsection (d) of section 202
14 and Articles VI and VII, act of May 21, 1943 (P.L.571, No.254),
15 known as "The Fourth to Eighth Class County Assessment Law."

16 Sections 20, 20.1 and 21, act of May 25, 1945 (P.L.1050,
17 No.394), known as the "Local Tax Collection Law."

18 Sections 655, 656, 674, 675, 676, 677, 679 and 680, act of
19 March 9, 1949 (P.L.30, No.14), known as the "Public School Code
20 of 1949."

21 Act of July 19, 1951 (P.L.1026, No.216), entitled, as
22 amended, "An act authorizing political subdivisions, other than
23 cities of the first and second classes and school districts of
24 the first class and first class A, to appoint and pay the
25 compensation of employes to make an assessment list of all
26 inhabitants or residents thereof over eighteen years of age, for
27 taxation purposes."

28 Section 1970, act of July 28, 1953 (P.L.723, No.230), known
29 as the "Second Class County Code."

30 Section 1770, act of August 9, 1955 (P.L.323, No.130), known

1 as "The County Code."

2 Section 1302, act of February 1, 1966 (1965 P.L.1656,
3 No.581), known as "The Borough Code."

4 (b) All acts and parts of acts are repealed insofar as they
5 are inconsistent herewith.

6 Section 10. This act shall take effect January 1, 1981 for
7 political subdivisions operating on a calendar year basis, and
8 on the first day of the fiscal year beginning in the calendar
9 year 1980 for political subdivisions operating on a fiscal year
10 basis.