

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2485

Session of
1990

INTRODUCED BY EVANS, APRIL 24, 1990

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 13, 1990

AN ACT

1 Providing for the collection by employers, regardless of
2 domicile, of taxes imposed by cities of the first class on
3 any salary, wage, commission or other compensation due to
4 employees; imposing liability for the payment of such taxes;
5 and providing for penalties.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 ~~Section 1. Short title.~~ <—

9 ~~This act shall be known and may be cited as the First Class~~
10 ~~City Optional Sales Tax Act.~~

11 Section 2 1. Collection of tax at source. <—

12 (a) Employers doing business in city.--Employers, regardless
13 of domicile, doing business or having a place of business or
14 having employees working within a city of the first class will
15 be subject to and governed by such ordinances and regulations
16 which have been heretofore or hereafter enacted for collection
17 of tax within the geographical limits of the city of the first
18 class.

1 (b) Other employers.--Employers doing business or having a
2 place of business within this Commonwealth but not in a city of
3 the first class shall be bound by the following:

4 (1) Every employer having a place of business within
5 this Commonwealth who employs one or more persons who are
6 residents of a city of the first class shall, within 15 days
7 after becoming an employer, register with the income tax
8 officer of a city of the first class the employer's name and
9 address and such other information as the officer may
10 require.

11 (2) Every employer having a place of business within
12 this Commonwealth who employs one or more persons who are
13 residents of a city of the first class shall deduct, at the
14 time of payment thereof, the tax imposed by the city of the
15 first class on any salary, wage, commission or other
16 compensation due to the employee.

17 (3) Every employer deducting any tax imposed under this
18 section shall, on or before April 30 of the current year,
19 July 31 of the current year, October 31 of the current year
20 and January 31 of the succeeding year, file a return and pay
21 to the officer the amount of taxes deducted during the
22 preceding three-month periods ending March 31 of the current
23 year, June 30 of the current year, September 30 of the
24 current year and December 31 of the current year,
25 respectively.

26 (4) Each return, unless otherwise agreed upon between
27 the officer and employer, shall show all of the following:

28 (i) The name and Social Security number of each
29 employee.

30 (ii) The earned income of each employee during the

1 preceding three-month period.

2 (iii) The tax deducted from the income under
3 paragraph (2).

4 (5) Any employer who for two of the preceding four
5 quarterly periods has failed to deduct the proper tax, or any
6 part thereof, or has failed to pay over the proper amount of
7 tax to the taxing authority, may be required by the officer
8 to file his return and pay the tax monthly. In such cases,
9 payments of tax shall be made to the officer on or before the
10 last day of the month succeeding the month for which the tax
11 was withheld.

12 (6) On or before February 28 of the succeeding year,
13 every employer shall file with the officer:

14 (i) An annual return showing the total amount of
15 earned income paid, the total amount of tax deducted and
16 the total amount of tax paid to the officer for the
17 period beginning January 1 of the current year and ending
18 December 31 of the current year.

19 (ii) A return withholding statement for each
20 employee employed during all or any part of the period
21 beginning January 1 of the current year and ending
22 December 31 of the current year, setting forth the
23 employee's name, address and Social Security number; the
24 amount of earned income paid to such employee during such
25 period; the amount of tax deducted; and the amount of tax
26 paid to the officer. Every employer shall furnish two
27 copies of the individual return to the employee for whom
28 it is filed.

29 (7) Every employer who discontinues business prior to
30 December 31 of the current year shall, within 30 days after

1 the discontinuance of business, file the returns and
2 withholding statements required and pay the tax due.

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

8 (9) The failure or omission of any employer to make the
9 deductions required by this section shall not relieve any
10 employee from the payment of the tax or from complying with
11 the requirements of the ordinance or resolution relating to
12 the filing of declarations and returns.

13 (10) Residents of cities of the first class working for
14 employers not governed by this act shall register and remit
15 the tax on returns and in amounts prescribed by the city of
16 the first class in its ordinances which have been heretofore
17 or hereafter enacted.

18 Section 3 2. Effective date.

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19 This act shall take effect January 1, 1991.