

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1129

Session of
1981

INTRODUCED BY POTT, COCHRAN, NOYE, BURD, KLINGAMAN, BOWSER,
SEVENTY, PETERSON, TELEK AND LASHINGER, APRIL 6, 1981

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, JANUARY 18, 1982

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 allowing employer collecting the tax on earned income a
23 collection fee of one percent against the total amount
24 collected REQUIRING MONTHLY RETURNS OF CERTAIN TAXES DEDUCTED <—
25 BY EMPLOYERS.

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

28 Section 1. Paragraph (b) of division IV of section 13, act

1 of December 31, 1965 (P.L.1257, No.511), known as the "Local Tax
2 Enabling Act," is amended to read:

3 Section 13. Earned Income Taxes.--On and after the effective
4 date of this act the remaining provisions of this section shall
5 be included in or construed to be a part of each tax levied and
6 assessed upon earned income by any political subdivision levying
7 and assessing such tax pursuant to this act. The definitions
8 contained in this section shall be exclusive for any tax upon
9 earned income and net profits levied and assessed pursuant to
10 this act, and shall not be altered or changed by any political
11 subdivision levying and assessing such tax.

12 * * *

13 IV Collection at Source

14 * * *

15 (b) Every employer having an office, factory, workshop,
16 branch, warehouse, or other place of business within the taxing
17 jurisdiction imposing a tax on earned income or net profits
18 within the taxing district who employs one or more persons,
19 other than domestic servants, for a salary, wage, commission, or
20 other compensation, shall deduct at the time of payment thereof,
21 the tax imposed by ordinance or resolution on the earned income
22 due to his employe or employes, and shall, [on or before April <—
23 30, of the current year, July 31, of the current year, October
24 31, of the current year, and January 31, of the succeeding year,
25 file a return and pay, ~~less a one percent discount allowed the <—~~
26 ~~employer as a collection fee,~~ to the officer the amount of taxes
27 deducted during the preceding three-month periods ending March
28 31, of the current year, June 30, of the current year, September
29 30, of the current year, and December 31, of the current year,
30 respectively.] ON OR BEFORE THE TWENTIETH DAY OF THE MONTH <—

1 IMMEDIATELY FOLLOWING, FILE A RETURN AND PAY TO THE OFFICER THE
2 AMOUNT OF TAXES DEDUCTED AND WITHHELD DURING THE PREVIOUS MONTH,
3 LESS A ONE PERCENT DISCOUNT FOR TIMELY REPORTING AND REMITTANCE
4 TO BE ALLOWED THE EMPLOYER AS A COLLECTION FEE. Such return
5 unless otherwise agreed upon between the officer and employer
6 shall show the name and social security number of each such
7 employe, the earned income of such employe during such preceding
8 [three-month period] MONTH, the tax deducted therefrom, the <—
9 political subdivisions imposing the tax upon such employe, the
10 total earned income of all such employes during such preceding
11 [three-month period] MONTH, and the total tax deducted therefrom <—
12 and paid with the return.

13 [Any employer who for two of the preceding four quarterly <—
14 periods has failed to deduct the proper tax, or any part
15 thereof, or has failed to pay over the proper amount of tax to
16 the taxing authority, may be required by the officer to file his
17 return and pay the tax monthly. In such cases, payments of tax
18 shall be made to the officer on or before the last day of the
19 month succeeding the month for which the tax was withheld.] <—

20 * * *

21 Section 2. This act shall take effect immediately and shall
22 be applicable to taxes levied for fiscal years commencing
23 January 1, ~~1982~~ 1983 and thereafter. <—