

AN ACT

1 Amending Title 8 (Boroughs and Incorporated Towns) of the
2 Pennsylvania Consolidated Statutes, in taxation and finance,
3 further providing for tax levy.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 1302 of Title 8 of the Pennsylvania
7 Consolidated Statutes is amended by adding subsections to read:
8 § 1302. Tax levy.

9 * * *

10 (f) Earned income tax.--Notwithstanding any other provision
11 of law, council may, by ordinance, levy and, in accordance with
12 this part, provide for the collection of an annual tax on wages,
13 salaries, commissions and other earned income of individuals.

14 (g) Payroll tax.--Notwithstanding any other provision of
15 law, council may, by ordinance, levy and, in accordance with
16 this part, provide for the collection of a payroll preparation
17 tax in accordance with the procedures for a city of the second
18 class under section 303 of the act of December 31, 1965

1 (P.L.1257, No.511), known as The Local Tax Enabling Act.

2 (h) Local services tax.--Notwithstanding any other provision
3 of law, council may, by ordinance, levy and, in accordance with
4 this part, provide for the collection of a local services tax,
5 as defined in section 501 of The Local Tax Enabling Act. The
6 local services tax shall be subject to the following:

7 (1) Beginning upon the effective date of this paragraph
8 and ending December 31, 2024, the local services tax shall be
9 no more than \$82 per individual.

10 (2) Beginning January 1, 2025, and for each succeeding
11 January 1 thereafter, council may, by ordinance, adjust the
12 local services tax by an annual factor, which shall be
13 determined by increasing the amount under paragraph (1) by
14 the percentage change in the Consumer Price Index for All
15 Urban Consumers (CPI-U) for the Pennsylvania, New Jersey,
16 Delaware and Maryland area. In calculating the adjustment,
17 council shall use the most recent 12-month period for which
18 figures have been officially reported by the United States
19 Department of Labor, Bureau of Labor Statistics.

20 Section 2. This act shall take effect in 60 days.