

ORDINANCE 1625

AN ORDINANCE OF THE TOWN OF GREENVILLE, MERCER COUNTY, PENNSYLVANIA, IMPOSING A TAX ON EARNED INCOME AND NET PROFITS RECEIVED OR EARNED BY RESIDENTS OF THE TOWN OF GREENVILLE AND BY NON-RESIDENTS FOR WORK DONE OR SERVICES PERFORMED IN THE TOWN OF GREENVILLE; IMPOSING THE RATES OF TAXATION; REQUIRING DECLARATIONS, RETURNS, COLLECTIONS AT SOURCE AND PAYMENT OF THE TAX; ASSESSING INTEREST AND PENALTIES FOR LATE PAYMENT; AND PRESCRIBING PENALTIES FOR VIOLATION.

BE IT ENACTED AND ORDAINED by the Council of the Town of Greenville, Mercer County, Pennsylvania, it is hereby enacted and ordained by the authority of the same as follows:

SECTION 1. Incorporation of Statute

Provisions of Section 6913 of the Local Tax Enabling Act, P.L. 1257, No. 511, December 31, 1965, 53 PS §901-24 (1982) as amended, supplemented, modified or reenacted by the General Assembly of Pennsylvania, are incorporated herein by reference thereto; except to the extent that options are provided; in §6913, this Ordinance designates the option selected, and except as wherein hereinafter specifically provided otherwise.

SECTION 2. Incorporation of Home Rule

Provision of Section 6.14 of the Town of Greenville Home Rule Charter adopted by the voters on November 5, 2019 and effective January 1, 2020 as specified in § 6.14 (b).

SECTION 3. Imposition of Tax

1. A tax for the general revenue purposes of 1.75% (the Municipal portion is equal to 1.25% and the School Districts portion is equal to .50%) is hereby imposed on:
 - a. Salaries, wages, commissions and other compensation earned or paid on or after January 1, 2023, and until this Ordinance is repealed expressly or by implication, on or after January 1 of any year, by residents of the Town of Greenville; and
 - b. On the net profits earned on or after January 1, 2023, or until this Ordinance is repealed expressly or by implication, on or after January 1 of any year, of businesses, professions or other activities conducted by such residents.
2. Imposition of Tax on Non-residents. Tax for the general purposes of 1.00% (this is dispersed to the tax payers' home municipality. The Towns portion of this non-resident rate is 0%) is hereby imposed on:
 - a. Salaries, wages, commissions and other compensation earned or paid on or after January 1, 2023, and until this Ordinance is repealed expressly or by implication, on or after January 1 of any year, by non-residents of the Town of Greenville for work done or services performed or rendered in the Town of Greenville; and
 - b. On net profits earned on or after January 1, 2023, or on or after January 1 of any year, of

businesses, professions or other activities conducted in the Town of Greenville by non-residents.

3. The tax levied under §§1(a) and 2(a) of this section shall relate to and be imposed upon salaries, wages, commissions and other compensation paid by an employer or on his behalf to any person who is employed by or render services to him. The tax levied under §§1(b) and 2(b) of this section shall relate to and be imposed upon the net profits of any business, profession or enterprise carried on by any person as owner or proprietor, either individually or association with some other person or persons.

SECTION 4. Payment of Tax and Returns

Every person whose salaries, wages, commissions and all other compensation earned or paid, and net profits earned from businesses, professions or other activities are subject to the tax imposed by this part, shall on or before April 15th of the succeeding year, make and file with the income tax officer, on a form prescribed or approved by that officer, a final return showing his or her name and address, name and place of his or her business or employment and employer, the aggregate amount of his or her salaries, wages, commissions and other compensation earned or paid or net profits earned from any businesses, professions or other activities conducted during the preceding year, the amount of tax due thereon, the amount of like tax paid thereon to any other political subdivision of the Commonwealth or elsewhere, the amount of tax thereon that has been withheld at source by employer, and the balance due; together with such other pertinent information as may be required. Further, at the time of filing such a final return, such person shall pay to the income tax officer, the tax or balance of tax due; and provided further, that every taxpayer who discontinues business prior to December 31st of the current year shall, within thirty (30) days after the discontinuance of business, file his final return as above required and pay the tax due.

SECTION 5. Collection at Source

1. Every employer having an office, factory, workshop, branch, warehouse, or other place of business within the Town of Greenville who employs one or more persons for a salary, wage, commission or other compensation shall register with the officer, deduct the tax imposed by this Ordinance on the earned income of his employee or employees and shall make and file on or before April 30 of the current year, July 31 of the current year, October 31 of the current year and January 31 of the succeeding year, file a return and pay to the officer the amount of taxes deducted during the preceding three months periods ending March 31, June 30, September 30, and December 31 of the current year, respectively. In addition thereto, every employer shall also file final returns to the officer and the amount of taxes deducted all as provided in Section 6913, IV of the Local Tax Enabling Act.

2. The return, unless otherwise agreed upon between the officer and the employer, shall show the name and social security number of each employee, the earned income of each employee during the preceding three month period, the tax deducted, the political subdivision imposing the tax upon the employee, the total earned income of all such employees during such preceding three month period, and the total tax deducted and paid with the return. Any employer, who for two of the preceding four quarterly periods has failed to pay over the proper amount of tax to the Town, may be required by the officer to file his return and pay the tax monthly. In such cases, payments of tax shall be made to the officer on or before the last day of the month succeeding the month for which the tax was withheld.

3. On or before February 28 of the succeeding year, every employer shall file with the officer:

- a. An annual return showing the total amount of earned income paid, the total amount of tax

deducted, and the total amount of tax paid to the officer for the period beginning January 1 of the current year, and ending December 31 of the current year;

- b. A return withholding statement for each employee employed during all or any part of the period beginning January 1 of the current year, and ending December 31 of the current year, setting forth the employee's name, address and social security number, the amount of earned income paid to the employee during said period, the amount of tax deducted, the political subdivisions imposing the tax upon the employee and the amount of tax paid to the officer. Every employer shall furnish two copies of the individual return to the employee for whom it is filed.

SECTION 6. Collections

Collection of Earned Income Tax per PA ACT 32 of 2008 are collected county wide and done so in accordance with PA ACT 32 of 2008 and the Tax Enabling Act.

SECTION 7. Interest and Penalties for Late Payment

If for any reason the tax is not paid when due, interest at the rate of six percent (6%) per annum on the amount of said tax, and an additional penalty of one-half of one percent of the amount of the unpaid tax for each month or fraction thereof during which the tax remains unpaid, shall be added and collected. Where suit is brought for the recovery of such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed.

SECTION 8. Penalties for Violations

1. Any person who fails, neglects or refuses to make or file a return as required by this Ordinance, any employer who fails, neglects or refuses to register or to pay the tax deducted from his employees, or fails, neglects or refuses to deduct or withhold the tax from his employees, any person who refuses to permit the officer or any agent designated by him to examine him, his books, records and papers and any person who knowingly makes any incomplete, false or fraudulent return, or attempts to do anything whatsoever to avoid the full disclosure of the amount of his salaries, wages, commissions, or other compensation earned or paid or net profits in order to avoid the payment of the whole or any part of the tax imposed by this Ordinance, shall, upon conviction, therefore before any District Justice, or Court of competent jurisdiction, be sentenced to pay a fine of not more than \$500.00 for each offense, and costs, and in default of payment, to be imprisoned for a period not to exceed thirty (30) days. Except as otherwise provided by the Local Tax Enabling Act, every employer who willfully and negligently fails or omits to make the deductions required by this Section shall be, in addition to the fines and penalties prescribed herein, be liable for the payment of the taxes which he was required to hold to the extent that those taxes have not been recovered from the employee. The failure or omission of the employer to make the deductions required by this Section shall not relieve the employee from the payment of the tax or from complying with the requirement of this Ordinance relating to the filing of returns.

2. The failure of any person to receive or procure the necessary form required for making or filing the returns as required by this Ordinance shall not excuse him from making and filing a return.

3. Any person who divulges any information which is otherwise confidential under the provisions of this Ordinance or the Local Tax Enabling Act, shall, upon conviction thereof, before any District Justice or court of competent jurisdiction, be sentenced to pay a fine of not more than \$100.00 for each offense, and costs, and in default of payment, to be imprisoned for a period not exceeding thirty (30) days.

4. The penalties imposed under this section shall be in addition to any other penalty imposed by any other section of this Ordinance.

SECTION 9. **Repealed**

All Ordinances or parts of Ordinances, which are inconsistent herewith, are hereby repealed.

SECTION 10. **Severability**

If any sentence, clause, section or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Town of Greenville that this Ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof had not been included herein.

SECTION 11. **Effective Date**

This Ordinance shall be effective immediately upon passage and, until such time as it is expressly or impliedly repealed, shall continue on a calendar year basis, thereafter, without annual reenactment. The effective date of this Ordinance, however, shall in no way effect the obligations set forth herein, particularly, that the 1.75% taxation for Town residents and the 1.00% taxation for non-residents shall be imposed upon and effective as of January 1, 2023.

ENACTED AND ORDAINED this 28th day of November 2022.

Attest:

TOWN OF GREENVILLE

Jasson W. Urey
Town Manager

Paul Hamill
Mayor