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**PART 1**

**LOCAL SERVICES TAX**

**§24-101. Definitions.**

The following words and phrases, when used in this Part, shall have the meanings ascribed to them in this Section, except where the context or language clearly indicates or requires a different meaning:

**DISTRICT** — the area within the limits and jurisdiction of the Township of Sandy, Clearfield County, Pennsylvania.

**EMPLOYER** — an individual, partnership, association, corporation, governmental body, agency, or other entity employing one or more persons on a salary, wage, commission, or other compensation basis, including a self-employed person.

**FISCAL YEAR** — the twelve-month period beginning January 1 and ending December 31.

**HE, HIS, or HIM** — means and indicates the singular and plural number, as well as male, female, and neuter gender.

**INDIVIDUAL** — any person, male or female, engaged in any occupation, trade, or profession within the limits of the Township of Sandy.

**LOCAL SERVICES TAX OFFICER or OFFICER** — the person, public employee, or private agency designated by the Township of Sandy to collect and administer the local services tax hereby imposed.

**OCCUPATION** — any trade, profession, business, or undertaking of any type, kind or character, including services, domestic or other, carried on or performed within the limits of the Township of Sandy, for which compensation is charged or received by means of salary, wages, commissions or fees for services rendered.

**TAX** — the local Services Tax in the amount of \$52 levied by this Part.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-102. Levy of Tax.**

For police, fire or emergency services, road maintenance or real estate tax reduction purposes, a tax is hereby levied upon the privilege of engaging in an occupation within the corporate limits of Sandy Township. Each individual who exercises such privilege for any length of time during any year wherein he has earned income and/or net profits

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of \$12,000 or more shall pay a tax in the amount of \$52 in accordance with the provisions of this Part. This tax is in addition to all other taxes of any kind or nature levied by Sandy Township. It shall be the obligation of each such person so engaged in an occupation to pay or cause to be paid the tax herein imposed by the due date for the quarter in which he earned the annual required minimum of \$12,000. The adoption of this Part shall constitute notice and demand for payment of this tax.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

### **§24-103. Use of Tax Moneys.**

At least 25% of the funds collected from the tax shall be used to fund emergency services within Sandy Township.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

### **§24-104. Amount of Tax.**

Beginning with the first day of January 2008, and on an annual basis thereafter, each occupation, as hereinbefore defined, engaged in within the limits of the Township of Sandy shall be subject to a local services tax in the amount of \$52 per annum, said tax to be paid by the individual so engaged.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

### **§24-105. Exemptions.**

The following persons shall be exempt from the tax:

- A. Any person who served in any war or armed conflict in which the United States was engaged and was honorably discharged or released under honorable circumstances from active service if, as a result of military service, the person is blind, paraplegic, or a double or quadruple amputee or has a service-connected disability declared by the United States Veterans Administration or its successors to be a total 100% permanent disability.
- B. Any person who serves as a member of a reserve component of the armed forces and is called to active duty at any time during the taxable year.
- C. Any person with earned income and/or net profits of less than \$12,000. Any person claiming an exemption on this ground must annually file an exemption certificate with Sandy Township and with his or her employer. If a per-

son who claimed an exemption for a given calendar year becomes subject to the tax, his employer shall withhold the tax for the remainder of the calendar year, including a lump-sum payment equal to the amount of tax that was not collected. The exemption certificate shall be prescribed by the Pennsylvania Department of Community and Economic Development and will be made available to all taxpayers and employers. Employers shall ensure that the exemption certificates are readily available to employees at all times and shall furnish each new employee with a form certificate at the time of hire.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-106. Duty of Employers.**

Each employer within Sandy Township, as well as those employers situate outside Sandy Township but who engage in business within the Township, is hereby charged with the duty of collecting from each of his employees engaged by him and performing for him within Sandy Township said tax of \$52 per year and making a return and payment thereof to the tax receiver. Each employee subject to the tax shall be assessed a pro-rata share of the tax for each payroll period in which the employee is engaged in Sandy Township. The pro-rata share of the tax assessed on an employee for a payroll period shall be determined by dividing the \$52 rate of the tax by the number of payroll periods established by the employer for a calendar year. Each employer is authorized to deduct this tax from each employee who has not otherwise claimed an exemption from paying the tax, whether said employee is paid by salary, wages or commission. Each employer shall be required to remit the tax within 30 days after the end of each quarter of a calendar year. The employer will provide the employee with evidence of deduction on a form to be furnished to the employer by the administrator.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-107. Returns.**

Each employer shall prepare and file a return showing a computation of the tax on forms to be supplied by the local services tax officer. It is further provided that, if the employer fails to file said return and pay said tax, whether or not he makes collection thereof from the salary, wages, or commissions paid by him to said employee, the employer shall be responsible for the payment of the tax in full as though the tax had originally been levied against him. The failure to receive notice shall not relieve the employer or any person subject to this Part from the withholding or payment of any taxes imposed by the Township of Sandy, and such employer or taxpayer, as the case may be, shall be charged with the taxes as though he had received notice.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-108. Dates for Determining Tax Liability and Payment.**

For each fiscal year, each employer shall use his employment records from January 1 to March 31, in conjunction with his employment records from April 1 to June 30, in conjunction with his employment records from July 1 to September 30, in conjunction with his employment records from October 1 to December 31, for determining the number and names of those employees from whom the said tax shall be deducted and paid over to the local services tax officer. Payment of said tax, when applicable, by the aggregate earnings of an employee shall be made by the employer to the local services tax officer on or before the last day of April, July, October and January for each year this tax is in force; except that, where the employer has in his/its possession local services taxes in excess of \$500, then, in such an event, the taxes shall be forwarded to the designated officer 30 days after the end of the month the tax was withheld, and in no event beyond the designated due dates, whichever first occurs.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-109. Individuals Engaged in More Than One Occupation.**

Each individual who shall have more than one occupation within the Township of Sandy shall be subject to the payment of this tax on his principal occupation, and his principal employer shall deduct this tax and deliver to him evidence of deduction on a form to be furnished by the employer and acceptable to the officer, which form shall be evidence of deduction having been made and, when presented to any other employer, shall be authority for such other employer to not deduct this tax from the employee's wages. However, the name of such employee shall be included in a quarterly return of the employer to the local services tax officer by setting forth the name and address of such employee and the name, address and account number of the employer who actually deducted this tax.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-110. Self-Employed Individuals.**

Unless an exemption from the tax has been claimed, all self-employed individuals who perform services of any kind or type or are engaged in any occupation or profession within the Township of Sandy shall be required to comply with this Part and pay the tax to the officer on or before April 30 of the fiscal year, or 30 days after the month when he is engaged in an occupation subjecting him to the tax, and in no event after the designated due dates as set forth in §24-107 herein, whichever first occurs. The failure to

receive notice shall not relieve any person subject to this Part from the payment of any taxes imposed by the Township of Sandy, and such taxpayer shall be charged with the taxes as though he had received notice.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-111. Employers and Self-Employed Individuals Residing Beyond the Limits of the Township.**

All employers and self-employed individuals residing or having their places of business outside of Sandy Township but who perform services of any type or kind or engage in any occupation or profession within Sandy Township do, by virtue thereof, agree to be bound by and subject themselves to the provisions, penalties and regulations promulgated under this Part with the same force and effect as though they were residents of Sandy Township. Further, any individual engaged in an occupation within Sandy Township and an employee of a nonresident employer may, for the purpose of this Part, be considered a self-employed person; and in the event that this tax is not paid, the administrator shall have the option of proceeding against either the employer or employee for the collection of this tax as hereinafter provided; provided, however, that no person shall be subject to the payment of the local services tax to more than one political subdivision during each payroll period.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-112. Administration of Tax.**

1. It shall be the duty of the local services tax officer to accept and receive payments of this tax and to keep a record thereof, showing the amount received by him from each employer or self-employed person, together with the date the tax was received.
2. The local services tax officer is hereby charged with the administration and enforcement of this Part and is hereby charged and empowered to prescribe, adopt, and promulgate rules and regulations relating to any matter pertaining to the administration and enforcement of this Part, including provisions for the examination of the payroll records of any employer subject to this Part, the examination and correction of any return made in compliance with this Part, and any payment alleged or found to be incorrect or to which overpayment is claimed or found to have occurred. Any person aggrieved by any decision of the local services tax officer shall have the right to appeal in accordance with the provisions of the Local Taxpayers Bill of Rights or to the court of competent jurisdiction, as in other cases provided.

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3. The local services tax officer is hereby authorized to examine the books and payroll of any employer in order to verify the accuracy of any return made by an employer or, if no return was made, to ascertain the tax due. Each employer is hereby directed and required to give the local services tax officer the means, facilities and opportunity to examine such books and payroll of the employer and to ascertain the tax due, if any.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

### **§24-113. Suits for Collection.**

1. In the event that any tax under this Part remains due or unpaid for 30 days after the due date above set forth, the local services tax officer may sue for the recovery of any such tax due or unpaid under this Part, together with interest and penalty.
2. If said tax is not paid when due, interest at the rate of 6% per annum shall be calculated, beginning with the due date of said tax, and a penalty of 10% shall be added to the flat rate of said tax for the nonpayment thereof. Where suit is brought for the recovery of this tax, the individual liable therefor shall, in addition, be responsible and liable for the costs of collection and reasonable attorney's fees.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

### **§24-114. Violations and Penalties.**

Whoever makes false and untrue statements on any return required by this Part, or who refuses inspection of the books, records and accounts in his custody and control setting forth the number of employees in his employment subject to this tax, or whoever fails or refuses to file any return required by this Part shall, upon conviction before any District Magistrate of the Township of Sandy, be sentenced to pay a fine of not more than \$500 and costs for each offense, and in default of the payment of said fine and costs, be imprisoned in the Clearfield County jail for a period not exceeding 30 days for each offense. It is further provided that the action to enforce the fine and penalty herein provided may be instituted against any person in charge of the business of any employer who has failed or refused to file a return required by this Part.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-115. Limitations; Constitutionality.**

1. Nothing contained in this Part shall be construed to empower the Township of Sandy to levy and collect the tax hereby imposed on any occupation not within the taxing power of the Township of Sandy under the Constitution of the United States and the laws of the Commonwealth of Pennsylvania.
2. If the tax hereby imposed under the provisions of this Part shall be held by any court of competent jurisdiction to be in violation of the Constitution of the United States or of the laws of the Commonwealth of Pennsylvania as to any individual, the decision of the court shall not affect the right to impose or collect said tax or the validity of the tax so imposed on other persons or individuals as herein provided.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-116. Authority.**

The tax herein imposed and the Part herein enacted is in pursuance of authority granted by the provisions of the Local Tax Enabling Act, approved by the General Assembly of the Commonwealth of Pennsylvania December 31, 1965, as amended.<sup>1</sup>

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

**§24-117. When Effective.**

This Part shall be effective five days after it is enacted by the Board of Supervisors of Sandy Township and shall be applicable commencing with calendar year 2008.

(Ord. 2005-1, 1/17/2005; as amended by Ord. 2005-2, 2/21/2005; and amended in its entirety by Ord. 6-2007, 11/5/2007)

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<sup>1</sup> Editor's Note: See 53 P.S. §699 et seq.



**PART 2**

**REALTY TRANSFER TAX**

**§24-201. Short Title.**

This Part shall be known as the “Realty Transfer Tax Ordinance of Sandy Township.”

(Ord. 1988-1, 2/8/1988, §1)

**§24-202. Authority.**

A realty transfer tax for general revenue purposes is hereby imposed upon the transfer of real estate or interest in real estate situated within Sandy Township, regardless of where the documents making the transfer are made, executed or delivered, or where the actual settlements on such transfer took place as authorized by Article XI-D, “Local Real Estate Transfer Tax,” 72 P.S., §8101-D et seq.

(Ord. 1988-1, 2/8/1988, §2)

**§24-203. Definitions.**

ASSOCIATION — a partnership, limited partnership or any other form of unincorporated enterprise owned or conducted by two or more persons other than a private trust or decedent’s estate.

CORPORATION — a corporation, joint-stock association, business trust or banking institution which is organized under the laws of this Commonwealth, the United States or any other State, territory, foreign country or dependency.

DOCUMENT — any deed, instrument or writing which conveys, transfers, demises, vests, confirms or evidences any transfer or demise of title to real estate, but does not include wills, mortgages, deeds of trust or other instruments of like character given as security for a debt and deeds of release thereof to the debtor, land contracts whereby the legal title does not pass to the grantee until the total consideration specified in the contract has been paid or any cancellation thereof unless the consideration is payable over a period of time exceeding 30 years, or instruments which solely grant, vest or confirm a public utility easement. “Document” shall also include a declaration of acquisition to be presented for recording under §24-202 of this Part.

FAMILY FARM CORPORATION — a corporation of which at least 75% of its assets are devoted to the business of agriculture and at least 75% of each class of stock of the corporation is continuously owned by members of the same family. The business of agriculture shall not be deemed to include:

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- A. Recreational activities such as, but not limited to, hunting, fishing, camping, skiing, show competition or racing.
- B. The raising, breeding or training of game animals or game birds, fish, cats, dogs or pets or animals intended for use in sporting or recreational activities.
- C. Fur farming.
- D. Stockyard and slaughterhouses operations.
- E. Manufacturing or processing operations of any kind.

**MEMBERS OF THE SAME FAMILY** — any individual, such individual's brothers and sisters, the brothers and sisters of such individual's parents and grandparents, the ancestors and lineal descendants of any of the foregoing, a spouse of any of the foregoing and the estate of any of the foregoing. Individuals related by the half-blood or legal adoption shall be treated as if they were related by the whole-blood.

**PERSON** — every natural person, association or corporation. Whenever used in any clause prescribing and imposing a fine or imprisonment, or both, the term "person" as applied to associations shall include the responsible members or general partners thereof, and as applied to corporations, the officers thereof.

### REAL ESTATE –

- A. All lands, tenements or hereditaments within this Township, including without limitation buildings, structures, fixtures, mines, minerals, oil, gas, quarries, spaces with or without upper or lower boundaries, trees and other improvements, immovable or interests which by custom, usage or law pass with a conveyance or land, but excluding permanently attached machinery and equipment in an industrial plant.
- B. A condominium unit.
- C. A tenant-stockholder's interest in a cooperative housing corporation, trust or association under a proprietary lease or occupancy agreement.

**REAL ESTATE COMPANY** — a corporation or association which is primarily engaged in the business of holding, selling or leasing real estate, 90% or more of the ownership interest in which is held by 35 or fewer persons and which:

- A. Derives 60% or more of its annual gross receipts from the ownership or disposition of real estate.

- B. Holds real estate, the value of which comprises 90% or more of the value of its entire tangible asset holdings exclusive of tangible assets which are freely transferable and actively traded on an established market.

TITLE TO REAL ESTATE –

- A. Any interest in real estate which endures for a period of time, the termination of which is not fixed or ascertained by a specific number of years, including without limitation an estate in fee simple, life estate or perpetual leasehold.
- B. Any interest in real estate enduring for a fixed period of years but which, either by reason of the length of the term or the grant of a right to extend the term by renewal or otherwise, consists of a group of rights approximately those of an estate in fee simple, life estate or perpetual leasehold, including without limitation a leasehold interest or possessory interest under a lease or occupancy agreement for a term of 30 years or more or a leasehold interest or possessory interest in real estate in which the lessee has equity.

TRANSACTION — the making, executing, delivering, accepting or presenting for recording of a document.

VALUE –

- A. In the case of any bona fide sale of real estate at arm's length for actual monetary worth, the amount of the actual consideration therefore, paid or to be paid, including liens or other encumbrances thereon existing before the transfer and not removed thereby, whether or not the underlying indebtedness is assumed, and ground rents or a commensurate part thereof, where such liens or other encumbrances and ground rents also encumber or are charged against other real estate; provided, that where such documents shall set forth a nominal consideration, the "value" thereof shall be determined from the price set forth in or actual consideration for the contract of sale.
- B. In the case of a gift, sale by execution upon a judgment or upon the foreclosure of a mortgage by a judicial officer, transactions without consideration or for consideration less than the actual monetary worth of the real estate, a taxable lease, an occupancy agreement, a leasehold or possessory interest, any exchange of properties or the real estate of an acquired company, the actual monetary worth of the real estate determined by adjusting the assessed value of the real estate for local real estate tax purposes for the common level ratio factor developed by the Pennsylvania Department of Revenue for Pennsylvania Realty Transfer Tax base calculations.
- C. In the case of an easement or other interest in real estate the value of which is not determinable under subsection (A) or (B), the actual monetary worth of such interest.

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- D. The actual consideration for or actual monetary worth of any executory agreement for the construction of buildings, structures or other permanent improvements to real estate between the grantor and other persons existing before the transfer and not removed thereby or between the grantor, the agent or principal of the grantor of a related corporation, association or partnership and the grantee existing before or effective with the transfer.

(Ord. 1988-1, 2/8/1988, §3)

### **§24-204. Imposition of Tax.**

1. Every person who makes, executes, delivers, accepts or presents for recording any document or in whose behalf any document is made, executed, delivered, accepted or presented for recording, shall be subject to pay for and in respect to the transaction, or any part thereof, a tax at the rate of 1% of the value of the real estate represented by such document is presented for recording or within 30 days of acceptance of such document or within 30 days of becoming an acquired company.
2. The payment of the tax imposed herein shall be evidenced by the affixing of an official stamp or writing by the Recorder of Deeds or other designee where on the date of payment of the tax, amount of the tax and the signature of the collecting agent shall be set forth.
3. It is the intent of this Part that the entire burden of the tax imposed herein on a person or transfer shall not exceed the limitations prescribed in the Local Tax Enabling Act, Act of December 31, 1965, P.L. 1257, 53 P.S., §6901 et seq., so that if any other political subdivision shall impose or hereafter shall impose such tax on the same person or transfer then the tax levied by the Township under the authority of that Act shall during the time such duplication of the tax exists, except as hereinafter otherwise provided, be 1/2 of the rate and such 1/2 rate shall become effective without any action on the part of the Township provided, however, that the Township and any other political subdivision which impose such tax on the same person or transfer may agree that, instead of limiting their respective rates to 1/2 of the rate herein provided, they will impose respectively different rates, the total of which shall not exceed the maximum rate permitted under the "Local Tax Enabling Act."
4. If for any reason the tax is not paid when due, interest at the rate in effect at the time the tax is due shall be added and collected.

(Ord. 1988-1, 2/8/1988, §4)

**§24-205. Exempt Parties.**

The United States, the Commonwealth or any of their instrumentalities, agencies or political subdivision shall be exempt from payment of the tax imposed by this Part. The exemption of such governmental bodies shall not, however, relieve any other party to a transaction from liability for the tax.

(Ord. 1988-1, 2/8/1988, §5)

**§24-206. Excluded Transactions.**

The tax imposed by this Part shall not be imposed upon:

- A. A transfer to the Commonwealth or to any of its instrumentalities, agencies or political subdivisions, by gift, dedication or deed in lieu of condemnation or deed of confirmation in connection with condemnation proceedings, or a reconveyance by the condemning body of the property condemned to the owner of record at the time of condemnation which reconveyance may include property line adjustments, provided, said reconveyance is made within 1 year from the date of condemnation.
- B. A document which the Township is prohibited from taxing under the Constitution or statutes of the United States.
- C. A conveyance to a municipality, township, school district or county of a tax delinquent property at sheriff sale or tax claim bureau sale.
- D. A transfer for no or nominal actual consideration which corrects or confirms a transfer previously recorded, but which does not extend or limit existing record legal title or interest.
- E. A transfer of division in kind for no or nominal actual consideration of property passed by testate or intestate succession and held by cotenant's; however, if any of the parties take shares greater in value than their undivided interest, tax is due on the excess.
- F. A transfer between husband and wife, between persons who were previously husband and wife and who have since been divorced, provided the property or interest therein subject to such transfer was acquired by the husband and wife or husband and wife prior to the granting of the final decree in divorce, between parent and child or the spouse of such child, between brother or sister or spouse of a brother or sister and brother and sister or the spouse of a brother and sister and between a grandparent and grandchild or the spouse of such grandchild, except that a subsequent transfer by the grantee within 1 year shall be subject to tax as if the grantor were making such transfer.

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- G. A transfer for no or nominal actual consideration of property passing by testate or intestate succession from a personal representative of a decedent to the decedent's devisee or heir.
- H. A transfer for no or nominal actual consideration to a trustee of an ordinary trust where the transfer of the same property would be exempt if the transfer was made directly from the grantor to all of the possible beneficiaries, whether or not such beneficiaries are contingent or specifically named. No such exemption shall be granted unless the Recorder of Deeds is presented with a copy of the trust instrument that clearly identifies the grantor and all possible beneficiaries.
- I. A transfer for no or nominal actual consideration from a trustee to a beneficiary of an ordinary trust.
- J. A transfer for no or nominal actual consideration to successor trustee.
- K. A transfer:
  - (1) For no or nominal actual consideration between principal and agent or straw party.
  - (2) From or to an agent or straw party where, if the agent or straw party were his principal, no tax would be imposed under this Part. Where the document by which title is acquired by a grantee or statement of value fails to set forth that the property was acquired by the grantee from, or for the benefit of, his principal, there is a rebuttable presumption that the property is the property of the grantee in his individual capacity if the grantee claims an exemption from taxation under this subsection.
- L. A transfer made pursuant to the statutory merger or consolidation of a corporation or statutory division of a nonprofit corporation, except where the Department reasonably determines that the primary intent for such merger, consolidation or division is avoidance of the tax imposed by this Part.
- M. A transfer from a corporation or association of real estate held or record in the name of the corporation or association where the grantee owns stock of the corporation or an interest in the association in the same proportion as his interest in or ownership of the real estate being conveyed and where the stock of the corporation or the interest in the association has been held by the grantee for more than 2 years.
- N. A transfer from a nonprofit industrial development agency or authority to a grantee of property conveyed by the grantee to that agency or authority as security for a debt of the grantee or a transfer to a nonprofit industrial development agency or authority.

- O. A transfer from a nonprofit industrial development agency or authority to a grantee purchasing directly from it, but only if:
  - (1) The grantee shall directly use such real estate for the primary purpose of manufacturing, fabricating, compounding, processing, publishing, production, pollution control, warehousing or agriculture.
  - (2) The agency or authority has the full ownership interest in the real estate transferred.
- P. A transfer by a mortgagor to the holder of a bona fide mortgage in default in lieu of a foreclosure or a transfer pursuant to a judicial sale in which the successful bidder is the bona fide holder of a mortgage, unless the holder assigns the bid to another person.
- Q. Any transfer between religious organizations or other bodies or persons holding title for a religious organization if such real estate is not being or has not been used by such transferor for commercial purposes.
- R. A transfer to a conservancy which possesses a tax exempt status pursuant to §501(c)(3) of the Internal Revenue Code of 1954, (68A Stat. 3, 26 U.S.C., §501(c)(3)) and which has its primary purpose preservation of land for historic, recreational, scenic, agricultural or open space opportunities.
- S. A transfer of real estate devoted to the business of agriculture to a family farm corporation by a member of the same family which directly owns at least 75% of each class of the stock thereof.
- T. A transfer between members of same family of an ownership interest in a real estate company or family farm corporation.
- U. A transaction wherein the tax due is \$1 or less.
- V. Leases for the production or extraction of coal, oil, natural gas or minerals and assignments thereof.

In order to exercise any exclusion provided in this Section, the true, full and complete value of the transfer shall be shown on the statement of value. A copy of the Pennsylvania Realty Transfer Tax Statement of Value may be submitted for this purpose. For leases of coal, oil, natural gas or minerals, the statement of value may be limited to an explanation of the reason such document is not subject to tax under this Part.

(Ord. 1988-1, 2/8/1988, §6)

**§24-207. Documents Relating To Associations or Corporations and Members, Partners, Stockholders or Shareholders Thereof.**

Except as otherwise provided in this Section, documents which make, confirm or evidence any transfer or demise of title to real estate between association or corporations and the members, partners, shareholders or stockholders thereof are fully taxable. For the purposes of this Part, corporation and associations are entities separate from their members, partners, stockholders or shareholders.

(Ord. 1988-1, 2/8/1988, §7)

**§24-208. Acquired Company.**

1. A real estate company is an acquired company upon a change in the ownership interest in the company, however effected, if the change does not affect the continuity of the company and of itself or together with prior changes has the effect of transferring, directly or indirectly, 90% or more of the total ownership interest in the company within a period of 3 years.
2. With respect to real estate acquired after February 16, 1988, a family farm corporation is an acquired company when, because of voluntary or involuntary dissolution, it ceases to be a family farm corporation or when because of issuance or transfer of stock or transfer because of acquisition or transfer of assets that are devoted to the business of agriculture, it fails to meet the minimum requirements of a family farm corporation under this Part.
3. Within 30 days after becoming an acquired company, the company shall present a declaration of acquisition with the recorder of each county in which it holds real estate for the affixation of documentary stamps and recording. Such declaration shall set forth the value of real estate holdings of the acquired company in such county. A copy of the Pennsylvania Realty Transfer Tax Declaration of Acquisition may be submitted for this purpose.

(Ord. 1988-1, 2/8/1988, §8)

**§24-209. Credits Against Tax.**

1. Where there is a transfer of a residential property by a licensed real estate broker which property was transferred to him within the preceding year as consideration for the purchase of other residential property, a credit for the amount of the tax paid at the time of the transfer to him shall be given to him toward the amount of the tax due upon the transfer.
2. Where there is a transfer by a builder of residential property which was transferred to the builder within the preceding year as consideration for the purchase of new, previously unoccupied residential property, a credit for the amount of the

tax paid at the time of the transfer to the builder shall be given to builder toward the amount of the tax due upon the transfer.

3. Where there is a transfer or real estate which is leased by the grantor, a credit for the amount of tax paid at the time of the lease shall be given the grantor toward the tax due upon the transfer.
4. Where there is a conveyance by deed of real estate which was previously sold under a land contract by the grantor, a credit for the amount of tax paid at the time of the sale shall be given the grantor toward the tax due upon the deed.
5. If the tax due upon the transfer is greater than the credit given under this Section, the difference shall be paid. If the credit allowed is greater than the amount of tax due, no refund or carryover credit shall be allowed.

(Ord. 1988-1, 2/8/1988, §9)

#### **§24-210. Extension of Lease.**

In determining the term of a lease, it shall be presumed that a right or option to renew or extend a lease will be exercised if the rental charge to the lessee is fixed or if a method of calculating the rental charge is established.

(Ord. 1988-1, 2/8/1988, §10)

#### **§24-211. Proceeds of Judicial Sale.**

The tax herein imposed shall be fully paid and have priority out of the proceeds of any judicial sale of real estate before any other obligation, claim, lien, judgment, estate or costs of the sale and of the writ upon which the sale is made except the State Realty Transfer Tax and the sheriff or other officer conducting said sale shall pay the tax herein imposed out of the first moneys paid to him in connection therewith. If the proceeds of the sale are insufficient to pay the entire tax herein imposed, the purchaser shall be liable for the remaining tax.

(Ord. 1988-1, 2/8/1988, §11)

#### **§24-212. Duties of Recorder of Deeds.**

1. As provided in 16 P.S., §11011-6, as amended by Act of July 7, 1983, (P.L. 40, No. 21), the recorder of deeds shall be the collection agent for the local realty transfer tax, including any amount payable to Sandy Township based on a redetermination of the amount of tax due by the Commonwealth of Pennsylvania of the Pennsylvania Realty Transfer Tax, without compensation from Sandy Township.

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2. In order to ascertain the amount of taxes due when the property is located in more than one political subdivision, the recorder shall not accept for recording such a deed unless it is accompanied by a statement of value showing what taxes are due each municipality.
3. On or before the tenth of each month, the recorder shall pay over to Sandy Township all local realty transfer taxes collected, less 2% for use of the County, together with a report containing the information as is required by the Commonwealth of Pennsylvania in reporting collections of the Pennsylvania Realty Transfer Tax.
4. Upon a redetermination of the amount of realty transfer tax due by the Commonwealth of Pennsylvania, the recorder shall rerecord the deed or record the additional realty transfer tax form only when both the State and local amounts and a rerecording or recording fee has been tendered.

(Ord. 1988-1, 2/8/1988, §12)

### **§24-213. Statement of Value.**

Every document lodged with or presented to the Recorder of Deeds for recording shall set forth therein and as a part of such document the true, full and complete value thereof or shall be accompanied by a statement of value executed by a responsible person connected with the transaction showing such connection and setting forth the true, full and complete value thereof of the reason, if any, why such document is not subject to tax under this Part. A copy of the Pennsylvania Realty Transfer Tax Statement of Value may be submitted for this purpose. The provisions of this Section shall not apply to any excludable real estate transfers which are exempt from taxation based on family relationship. Other documents presented for the affixation of stamps shall be accompanied by a certified copy of the document and statement of value executed by a responsible person, connected with the transaction showing such connection and setting forth the true, full and complete value thereof or the reason, if any, why such document is not subject to tax under this Part.

(Ord. 1988-1, 2/8/1988, §13)

### **§24-214. Civil Penalties.**

1. If any part of any underpayment of the tax imposed by this Part is due to fraud, there shall be added to the tax an amount equal to 50% of the underpayment.
2. In the case of failure to record a declaration required under this Part on the date prescribed therefor, unless it is shown that such failure is due to reasonable cause, there shall be added to the tax 5% of the amount of such tax if the failure is for not more than 1 month, with an additional 5% for each additional month or

fraction thereof during which such failure continues, not exceeding 50% in the aggregate.

(Ord. 1988-1, 2/8/1988, §14)

**§24-215. Lien.**

The tax imposed by this Part shall become a lien upon the lands, tenements or hereditaments or any interest therein, lying, being situated, wholly or in part within the boundary of the Township, which lands, tenements, hereditaments or interest therein are described in or conveyed by or transferred by the deed which is the subject of the tax imposed, assessed and levied by this Part, said lien to begin at the time when the tax under this Part is due and payable, and continue until discharged by payment or in accordance with the law, and the Solicitor is authorized to file a municipal or tax claim in the Court of Common Pleas of Clearfield County, in accordance with the provisions of the Municipal Claims and Liens Act of 1923, 53 P.S., §7101 et seq., its supplements and amendments.

(Ord. 1988-1, 2/8/1988, §15)

**§24-216. Enforcement.**

All taxes imposed by this Part together with interest and penalties prescribed herein, shall be recoverable as other debts of the like character are recovered.

(Ord. 1988-1, 2/8/1988, §16)

**§24-217. Regulations.**

The Secretary of the Township is charged with enforcement and collection of tax and is empowered to promulgate and enforce reasonable regulations for enforcement and collection of the tax. The regulations which have been promulgated by the Pennsylvania Department of Revenue under 72 P.S., §8101-C et seq. are incorporated into and made a part of this Part.

(Ord. 1988-1, 2/8/1988, §17)



**PART 3**

**ECONOMIC REVITALIZATION TAX ASSISTANCE PLAN**

**§24-301. Short Title.**

This Part shall be known and denominated as “The Sandy Township Economic Revitalization Tax Assistance Plan.”

(Ord. 1985-15, 10/14/1985, §I)

**§24-302. Definitions.**

Whenever used in this Part, the following terms shall have the following meanings:

**DETERIORATED AREA –**

- A. All present and future industrially zoned areas of the Township of Sandy.
- B. All that section of West Sandy in the Township of Sandy bounded and described as follows: Beginning at that intersection of the easterly line of South Brady Street (U.S. Highway 219) and the northern boundary line of Short Street, to a point, said point being at the intersection of the northerly line of Short Street and the westerly line of Pentz Run Avenue, thence in an easterly direction crossing Pentz Run Avenue to the eastern boundary line of Pentz Run Avenue, thence in a southerly direction along the eastern boundary line of Pentz Run Avenue, said point being at the westerly intersection of lots 10 and 11, said lots being on the easterly side of Pentz Run Avenue; thence in an easterly direction along the boundary line separating lots 10 and 11 to the westerly right-of-way line of B & O Railroad, thence in a northerly direction along the westerly right-of-way line of B & O Railroad to the intersection of the westerly line of the B & O Railroad and the easterly line of Brady Street (U.S. Highway Route 219), thence in a southerly direction along the easterly boundary line of South Brady Street (U.S. Highway Route 219) to a point, said point being at the intersection of the easterly line of South Brady Street (U.S. Highway Route 219) and the northerly line of Short Street, the place of beginning.
- C. All that parcel described as follows: Beginning at an iron pin (to be set) on the western right-of-way line of Shaffer Road and the northern line of an unopened alley as shown on the Harriet Bogle Plan of Lots as surveyed by George Kirk in 1916; thence by the northern line of the unopened alley, north 74° 15' 46" west, 694.45 feet to an iron pin (to be set); thence continuing by the northern line of said unopened alley, north 74°15'46" west, 655.21 feet to an existing rebar located at the intersection of the northern right-of-way line of said alley and the eastern line of Second Street; thence by the

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northern line of the aforementioned alley and by a line cross Second Street, north 74°15'46" west, 50.00 feet; thence continuing by the northern line of the unopened alley, north 74°15'46" west, 316.00 feet to a point at the southeast corner of land of Ida Mae Lockhard and Albert G. Larson; thence by Lockhard and Larson the following courses and distances; North 15°44'14" east to an existing 1 inch rebar; thence north 74°15'46"; west, 200.00 feet to an existing 1 inch rebar; thence south 15°44'14" west, 150.00 feet to an iron pin (to be set) at the southwest corner of this conveyance and on the eastern line of other land of the Nedza Development Corporation; thence by the western line of this conveyance and along land of the Nedza Development Corporation north 16°05'55" east, 758.81 feet to a 1 inch iron pin (to be set); thence by the northern line of this conveyance and the southern line of residue of lands of the Nedza Development Corporation and Catherine Nedza, south 74°21'30" east, 1,365.50 feet to an iron pin (to be set); thence continuing by the residue of land of the Nedza Development Corporation, south 74°21'30" east, 766.50 feet to a 1 inch pin (to be set) on the western right-of-way line of the extension to Shaffer Road, said parcel of land containing 35.8 acres, more or less south 23°43'18" west, 770.00 feet to an iron pin (to be set) and the place of beginning.

**DETERIORATED PROPERTY** — any industrial property in the present or future industrially zoned area of Sandy Township and any industrial or commercial property in the Deteriorated area defined in the definition of "deteriorated area."

**IMPROVEMENT** — any repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

(Ord. 1985-15, 10/14/1985, §II; as amended by Ord. 1999-2, 3/17/1999, §§I, II)

### **§24-303. Grant of Exemption.**

From and after the effective date hereof, and subject to the limitations hereinafter stated, there is hereby exempted from real estate taxation the assessed value of all improvements made to deteriorated properties as defined herein.

(Ord. 1985-15, 10/14/1985, §III)

### **§24-304. Limitations.**

The exemption granted pursuant to the terms of this Part shall be limited as follows:

- A. Assessed Value. The exemption hereby granted shall apply only to the assessed valuation of improvement and in no case shall exceed the actual cost of the subject improvement.
- B. Damaged Properties. In the event of improvements to properties damaged by fire or other casualty after the effective date hereof, only so much of the assessed value of improvements actually incurred which would cause the assessed value of the improved structure to exceed the assessed value of the structure in the tax year immediately preceding the casualty shall be subject to exemption.
- C. Improvement Exemption Schedule. All exemptions granted as the result of commercial and industrial improvements shall be limited. For the first year for which such improvements would otherwise be taxable, 100% of the eligible assessment shall be exempted; for the second year, 90% of the eligible assessment shall be exempted; for the third year through the tenth year 80%, 70%, 60%, 50%, 40%, 30%, 20% and 10%, respectively, of the eligible assessment shall be exempted; after the tenth year, the exemption shall terminate absolutely and the entire assessed value of the property, including all improvements previously subject to exemption pursuant to the terms of this Part, shall be fully taxable.

(Ord. 1985-15, 10/14/1985, §IV)

**§24-305. Nonrecognition.**

No improvements granted exemption pursuant to the terms of this Part shall, during the period of exemption granted pursuant to the terms hereof, be considered as a factor in assessing other properties.

(Ord. 1985-15, 10/14/1985, §V)

**§24-306. Notice to Taxpayers.**

All building permit applications issued by the Township of Sandy from and after the effective date of this Part shall be accompanied by a written notice to the applicant of the existence of this Part and the procedures necessary to obtain exemption in accordance with the terms of this Part.

(Ord. 1985-15, 10/14/1985, §VI)

**§24-307. Procedure for Obtaining Exemption.**

- 1. Any taxpayer desiring tax exemption pursuant to the terms of this Part shall apply, in writing, upon a form approved by the Township Zoning Officer at the time

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such taxpayer secures a building permit for an intended improvement. A copy of the exemption application shall be forwarded by the Township Zoning Officer to the appropriate assessment officials of Clearfield County. The appropriate assessment officials of Clearfield County shall, after completion of the improvement, assess separately the improvement and shall calculate the amounts of the assessment eligible for tax exemption pursuant to the terms of this Part. Notice of the determination of the assessment officials shall be given to the taxpayer and to all interested local taxing authorities. Said notice shall state the amount of the assessment eligible for exemption. Appeals from the assessment for the determination of the amount eligible for exemption may be taken by the taxpayer as provided by law for general assessment appeals. The limitations upon exemption and the schedules of taxes exempted existing at the time of the grant of the building permit and the receipt of the application for exemption shall be applicable to that exemption request and subsequent amendments to this Part, if any, shall not apply to requests initiated prior to the effective date of such amendments.

2. County assessment officials shall be advised of the completion of construction by the appropriate Township building or housing inspection personnel. notice of completion shall be in writing and shall contain a certification that the completed construction complies with all applicable building, plumbing, fire, land use and related laws, rules and regulations applicable to structures within the Township of Sandy. No exemption shall be granted to any property which is not certified to be in compliance with all applicable laws, rules and regulations.

(Ord. 1985-15, 10/14/1985, §VII)

**PART 4**

**EARNED INCOME TAX**

**§24-401. Title.**

This Part shall be known as the “Earned Income Tax Ordinance.” The provisions hereof shall be come effective on the 1st day of January, 2004, A.D. and the tax shall continue in force on a calendar year or a taxpayer fiscal year basis, without annual re-enactment, unless the rate of the tax is subsequently changed. Changes in rate become effective on the date specified in the amending ordinance.

(Ord. 20004-1, 1/5/2004, §1)

**§24-402. Definitions.**

ASSOCIATION — a partnership, limited partnership or any other unincorporated group of two or more persons.

BOARD — the Board of Supervisors of the Township of Sandy.

BUSINESS — any enterprise, activity, profession or any other undertaking of an unincorporated nature conducted for profit or ordinarily conducted for profit whether by a person, partnership, association or any other entity.

CORPORATION — a corporation or joint stock association organized under the laws of the United States, the Commonwealth of Pennsylvania or any other state, territory, foreign country or dependency.

CURRENT YEAR — the calendar year for which the tax is levied.

DOMICILE — the place where one lives and has his permanent home and to which he has the intention of returning whenever he is absent. Actual residence is not necessarily domicile, for domicile is the fixed place of above which, in the intention of the taxpayer, is permanent rather than transitory. Domicile is the voluntarily fixed place of habitation of a person, not for a mere special or limited purpose, but with the present intention of making a permanent home, until some event occurs to induce him to adopt some other permanent home. In the case of businesses or associations, the domicile is that place considered as the center of business affairs and the place where its functions are discharged.

EARNED INCOME — compensation as determined under §303 of the Act of March 4, 1971 (P.L. 6, No. 2), known as the “Tax Reform Code of 1971,” and regulations in 61 Pa. Code Pt. I Subpt. B Art. V (relating to personal income tax). Employee business expenses are allowable deductions as determined under Article III

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of the “Tax Reform Code of 1971.” The amount of any housing allowance provided to a member of the clergy shall not be taxable as earned income.

**EMPLOYER** — a person, partnership, association, corporation, institution, governmental body or unit or agency, or any other entity employing one or more persons for a salary, wage, commission or other compensation.

**INCOME TAX OFFICER or OFFICER** — person, public employee or private agency designated by the Board of Supervisors to collect and administer the tax on earned income and net profits.

**NET PROFITS** — the net income from the operation of a business, profession or other activity, except corporations determined under §303 of the Act of March 4, 1971 (P.L. 6, No. 2), known as the “Tax Reform Code of 1971,” and regulations in 61 Pa. Code Pt. I Subpt B Art. V (relating to personal income tax). The term does not include income which is not paid for services provided and which is in the nature of earnings from an investment. For taxpayers engaged in the business, profession or activity of farming, the term shall not include:

- A. Any interest earnings generated from any monetary accounts or investment instruments of the farming business.
- B. Any gain on the sale of farm machinery.
- C. Any gain on the sale of livestock held 12 months or more for draft, breeding or dairy purposes.
- D. Any gain on the sale of other capital assets of the farm.

**NONRESIDENT** — a person, partnership, association or other entity domiciled outside the taxing district.

**PERSON or INDIVIDUAL** — a natural person.

**PRECEDING YEAR** — the calendar year before the current year.

**RESIDENT** — a person, partnership, association or other entity domiciled in the taxing district.

**SUCCEEDING YEAR** — the calendar year following the current year.

**TAXING DISTRICT** — the Township of Sandy, Clearfield County, Pennsylvania.

**TAXPAYER** — a person, partnership, association or any other entity, required hereunder to file a return of earned income or net profits, or to pay a tax thereon.

(Ord. 2004-1, 1/5/2004, §2; as amended by Ord. 2005-7, 12/19/2007)

**§24-403. Imposition of Tax.**

1. A tax for general revenue purposes is hereby reimposed in the amount of 1% earned income received and to net profits earned by residents and nonresidents of the Township of Sandy, beginning on the first day of January, 2004, and continuing for each taxable year thereafter.
2. Except as otherwise provided in §14 of the Local Tax Enabling Act, 53 P.S. §6914, as amended, allowing for crediting or deductions for duplications of taxes, in the event the school district in which the Township is situate, shall impose, or continue to impose, an earned income tax under the authority of the Act on residents or businesses domiciled within that Township during the same year or part of year, then the tax herein imposed shall be subject to the sharing provisions from the day such duplication becomes effective.

(Ord. 2004-1, 1/5/2004, §3)

**§24-404. Declaration and Payment of Tax.**

1. Net Profits.
  - A. Every taxpayer making net profits shall, on or before April 15 of the current year, make and file with the officer on a form prescribed or approved by the Officer, a declaration of his estimated net profits during the period beginning January 1, and ending December 31 of the current year and pay to the Officer in four quarterly installments, as nearly as possible, the tax due thereon as follows:
    - (1) The first installment at the time of filing the declaration and the other installments on or before June 15, of the current year, September 15 of the current year and January 15 of the succeeding year, respectively.
  - B. Any taxpayer who first anticipates any net profit after April 15 of the current year, shall make and file the declaration hereinabove required on or before June 15 of the current year, September 15 of the current year or December 31 of the current year, whichever of these dates next follow the date on which the taxpayer first anticipates such net profit, and pay to the Officer in installments, as nearly equal as possible, the tax due thereon, on or before the quarterly payment dates which remain after the filing of the declaration.
  - C. Every taxpayer shall, on or before April 15, of the succeeding year, make and file with the Officer on a form prescribed or approved by the Officer a final return and reconciliation showing the amount of net profits earned during the period beginning January 1 of the current year and ending De-

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ember 31 of the current year, the total amount of tax due thereon and the total amount of tax paid thereon.

At the time of filing the final return, the taxpayer shall pay to the Officer the balance of the tax due or shall make demand for refund or credit in the case of overpayment. Any taxpayer may, in lieu of paying the fourth quarterly installment of his estimated tax, elect to make and file with the officer on or before January 31 of the succeeding year, the final return as hereinabove required.

- D. The Officer is hereby authorized to provide by regulation for the making and filing of adjusted declarations of estimated net profits and for the payments of the estimated tax in cases where a taxpayer who has filed the declaration hereinabove required, anticipated additional net profits not previously declared or finds that he has overestimated his anticipated net profits.
- E. Every taxpayer who discontinues business prior to December 31 of the current year shall, within 30 days after the discontinuance of business, file his final return as hereinabove required and pay the tax due.

### 2. Earned Income.

- A. Annual Earned Income Tax Return. Every taxpayer shall, on or before April 15, of the succeeding year, make and file with the Officer on a form prescribed or approved by the Officer a final return showing the amount of earned income received during the period beginning January 1 of the current year and ending December 31 of the current year. Such final return shall also show the total amount of tax due thereon, the amount of tax paid thereon and the amount of tax thereon that has been withheld pursuant to the provisions relating to the collection at source and the balance of tax due. At the time of filing the final return, the taxpayer shall pay the balance of the tax due or shall make demand for refund or credit in the case of overpayment.
- B. Earned Income Not Subject to Withholding. Every taxpayer who is employed for a salary, wage, commission or other compensation and who received any earned income not subject to the provisions relating to collection at source, shall make and file with the Officer on a form prescribed or approved by the Officer a quarterly return 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, setting forth the aggregate amount of earned income not subject to withholding by him during the 3 month periods ending March 31, of the current year, June 30, of the current year, September 30, of the current year and December 31 of the current year, respectively and subject to the tax, together with such other information as the Officer may require. Every taxpayer making such returns shall, at the time of filing thereof, pay to the Officer the amount of tax shown as due thereon.

3. Death of Taxpayer. In the event of the death of a taxpayer during a taxable period, his personal representative shall file his return on or before the 15th day of April of the year following the date of death and on or before such date shall pay any tax due from such deceased taxpayer under this Part or demand refund in the case of over payment.
4. Guardian of Taxpayer. Should a guardian of the estate be appointed for a taxpayer such guardian shall be imputed with the same duties and responsibilities as the taxpayer would have regarding the reporting and paying of taxes under this Part.

(Ord. 2004-1, 1/5/2004, §4)

**§24-405. Collection at Source.**

1. Every employer having an office, factory, workshop, branch, warehouse or other place of business within the Township who employs one or more persons, other than domestic servants, for a salary, wage, commission or other compensation, who has not previously registered shall, within 15 days after becoming an employer, register with the Officer, his name and address and such other information as the Officer may require.
2. Every employer having an office, factory, workshop, branch, warehouse or other place of business within the Township who employs one or more persons, other than domestic servants, for a salary, wage, commission or other compensation, shall deduct at the time of payment thereof, the tax imposed by this Part on the earned income due on his employment and shall, 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 3 month period ending March 21, of the current year, June 30, of the current year, September 30, of the current year and December 31, of the current year, respectively. Such return unless otherwise agreed upon between the Officer and the employer shall show the name and Social Security number of each such employee, the earned income of such employee during such preceding 3 months period, the tax deducted therefrom, the political subdivision imposing the tax upon such employee, the complete address of each and every employee subject to withholding, the total earned income of all such employees during such preceding 3 month period and the total tax deducted therefrom and paid with the return. Any employer who for two of the four quarterly period has failed to deduct the proper tax, or any part thereof, or has failed to pay over the proper amount of tax to the taxing authority, 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:

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- 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 such 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.
4. Every employer who discontinues business prior to December 31, of the current year, shall, within 30 days after the discontinuance of business, file the returns and withholding statements hereinabove required and pay the tax due.
  5. Except as otherwise provided herein, every employer who willfully or negligently fails or omits to make the deductions required by this Section shall be liable for payment of the taxes which he was required to withhold to the extent that such taxes have not been recovered from the employee. Notwithstanding the foregoing, no employer shall be held liable for failure to withhold earned income taxes or for the payment of such withheld tax money to a political subdivision other than the Township if such failure to withhold or such incorrect transmittal of withheld taxes arises from incorrect information as to the employee's place of residence submitted by the employee, nor shall an employer be liable for failure to withhold earned income taxes, or to make reports of wages, salaries, commissions or other compensation of his/its employees, unless the official continuing register of all earned income taxes levied under the authority of the Local Tax Enabling Act, as amended, maintained and supplemented annually by the Department of Community and Economic Development, lists the Township's levying of the earned income tax.
  6. The failure or omission of any employer to make the deductions required by this Section shall not relieve any employee from the payment of tax or from complying with the requirements of this Part relating to the filing of declarations and returns.

(Ord. 2004-1, 1/5/2004, §5)

### **§24-406. Powers and Duties of Officer.**

1. The Board, by resolution, shall appoint the Officer.

2. It shall be the duty of the Officer to collect and receive the taxes, fines and penalties imposed by this Part. It shall also be his duty to keep a record showing the amount received by him from each person or business paying the tax and the date of such receipt.
3. Each Officer, before entering upon his official duties, shall give and acknowledge a bond to the Township. If the Township shall by ordinance, designate any bond previously given by the Officer as adequate, such bond shall be sufficient to satisfy the requirements of this subsection. Each such bond shall be joint and several with one or more corporate sureties which shall be surety companies authorized to do business in this Commonwealth and duly licensed by the Insurance Commissioner of this Commonwealth. Each bond shall be conditioned upon the faithful discharge by the officer, his clerks, assistants, appointees of all trust confided in him by virtue of his office, upon the faithful execution of all duties required of him by virtue of his office, upon the just and faithful accounting or payment over, according to law, of all monies and all balances thereof paid to, received or held by him by virtue of his office and upon the delivery to his successor or successors in office of all books, papers, documents or other official things held in right of his office. Each such bond shall be taken in the name of Sandy Township, and shall be for the use of the Township appointing the Officer, and for the use of such other person or persons for whom money shall be collected or received, or as his or her interest shall otherwise appear, in case of a breach of any of the conditions thereof by the acts or neglect of the principal of the bond. The Township, or any person, may sue upon the said bond in its own or his own name for its or his own use. Each such bond shall contain the name or names of the surety company or companies bound thereon. The Township shall fix the amount of the bond at an amount equal to the maximum amount of taxes which may be in the possession of the Officer at any given time. The Township may at any time, upon cause shown and due notice to the Officer, and his surety or sureties, require or allow the substitution or the addition of a surety company acceptable to the Township for the purpose of making the bond sufficient in amount, without releasing the surety or sureties first approved from any accrued liability or previous action on such bond. The Township shall designate the custodian of the bond required to be given by the Officer.
4. The Officer charged with the administration and enforcement of the provisions of this Part is hereby empowered to prescribe, adopt, promulgate and enforce rules and regulations relating to any matter pertaining to the administration and enforcement of this Part, including provisions for the re-examination and correction of declaration and returns, and of payments alleged or found to be incorrect, or as to which any overpayment is claimed or found to have occurred, and to make refunds in case of overpayment, for any period of time not to exceed 6 years subsequent to the date of payment of the sum involved, and to prescribe forms necessary for the administration of this Part. No rule or regulation of any kind shall be enforceable unless it has been approved by ordinance by the Board of Supervisors. A copy of such rules and regulations currently in force shall be available for public inspection.

## TAXATION, SPECIAL

5. The Officer shall refund, on petition of, and proof by the taxpayer, earned income tax paid on the taxpayer's ordinary and necessary business expenses to the extent that such expenses are not paid by the taxpayer's employer.
6. The Officer and agent designated by him are hereby authorized to examine the books, papers and records of any employer or of any taxpayer or of any person whom the officer reasonably believes to be an employer or taxpayer, in order to verify the accuracy of any declaration or return, or if no declaration or return was filed, to ascertain the tax due. Every employer and every taxpayer and every person whom the Officer reasonably believes to be an employer or taxpayer, is hereby directed and required to give to the Officer, or to any agent designated by him, the means, facilities and opportunities for such examination and investigation as hereby authorized. The Officer shall have such power to subpoena books, records and papers of the employer or taxpayer as may be found in authority of the Commonwealth of Pennsylvania.
7. Any information gained by the Officer, his agents or by any other official or agent of the Township as a result of any declarations, returns, investigations, hearing or verifications required or authorized by this Part shall be confidential, except for official purposes and except in accordance with a proper judicial order, or as otherwise provided by law.
8. The Officer is authorized to establish different filing, reporting and payment dates for taxpayers whose fiscal years do not coincide with the calendar year.

(Ord. 2004-1, 1/5/2004, §6)

### **§24-407. Suit for Collection of Tax.**

1. The Officer may sue in the name of the Township for the recovery of taxes due and unpaid under this Part.
2. Any suit brought to recover the tax imposed by this Part shall be begun within 3 years after such tax is due, or within 3 years after the declaration or return has been filed, whichever is later; provided, however, that this limitation shall not prevent the institution of a suit for the collection of any tax due or determined to be due in the following cases:
  - A. Where no declaration or return was filed by any person although a declaration or return was required to be filed by him under provisions of this Part, there shall be no limitation.
  - B. Where an examination of the declaration or return was filed by any person, or of other evidence relating to such declaration or return in the possession of the Officer, reveals a fraudulent evasion of taxes, there shall be no limitation.

- C. In the case of substantial understatement of tax liability of 25% or more and no fraud, suit shall begin within 6 years.
  - D. Where any person has deducted taxes under the provisions of this Part and has failed to pay the amounts so deducted to the Officer, or where any person has willfully failed or omitted to make the deductions required by this Section, there shall be no limitation.
  - E. This Section shall not be construed to limit the Board from recovering delinquent taxes by any other means provided by the Act.
3. The Officer may sue for recovery of an erroneous refund provided such suit is begun two years after making such refund, except that the suit may be brought within five years if it appears that any part of the refund was induced by fraud or misrepresentation of material fact.

(Ord. 2004-1, 1/5/2004, §7)

**§24-408. Interest and Penalties.**

- 1. If for any reason the tax is not paid when due, interest at the rate of 6% per annum on the amount of said tax, and an additional penalty of 1/2% 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 any such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed.
- 2. Notwithstanding the provisions of subsection (1), the Township may, by ordinance, establish a one-time period during which interest and penalties that would otherwise be imposed for the non-reporting or under-reporting of earned income tax liabilities or for the nonpayment of earned income taxes previously imposed and due shall be waived in total or in part if the taxpayer voluntarily files delinquent returns and pay the taxes in full during the period so established. The Township shall adopt regulations to implement the provisions of this subsection.
- 3. The provisions of subsection (2) shall not affect or terminate any petitions, investigations, prosecutions or other proceedings pending under the provisions of this Part, or prevent the commencement or further prosecution of any proceedings by the proper authorities for violations of this Part. No proceedings shall, however, be commenced on the basis of delinquent returns filed pursuant to subsection (2) if the returns are determined to be substantially true and correct and the taxes are paid in full within the prescribed time.

(Ord. 2004-1, 1/5/2004, §8)

**§24-409. Fines and Penalties for Violation of this Part.**

## TAXATION, SPECIAL

1. Any person who fails, neglects or refuses to make any declaration or return required by this Part, 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 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 net profits or earned income in order to avoid the payment of the whole or any part of the tax imposed by this Part shall, upon conviction thereof before any district justice, or court of competent jurisdiction in Clearfield County, be sentenced to pay a fine of not more than \$500 for each offense and costs and, in default of payment of said fine and costs, to be imprisoned for a period not exceeding 30 days.
2. Any person who divulges any information which is confidential under the provisions of this Part shall, upon conviction thereof before any magisterial district judge, or court of competent jurisdiction, be sentenced to pay a fine of not more than \$500 for each offense and costs and, in default of payment of said fine and costs, to be imprisoned for a period not exceeding 30 days.
3. The penalties imposed under this Section shall be in addition to any other penalty imposed by any other Section of this Part.
4. The failure of any person to receive or procure forms required for making the declaration or returns required by this Part shall not excuse him from making such declaration or return.

(Ord. 2004, 1/5/2004, §9)

**PART 5**

**LOCAL TAXPAYER BILL OF RIGHTS**

**§24-501. Definitions.**

The following definitions shall apply to the Local Taxpayer Bill of Rights as well as all exhibits attached hereto:

**ASSESSMENT** — the determination by a local taxing authority of the amount of underpayment by a taxpayer.

**ELIGIBLE TAXES** — includes all taxes levied under the Local Tax Enabling Act (Act 511), as well as any per capita, occupation, occupation assessment, occupational privilege, emergency and municipal services, local services, income, gross receipts, privilege, amusement, admissions, earned income or net profits tax. This policy does not apply to real property taxes.

**OVERPAYMENT** — any payment of eligible tax which is determined in the manner provided by law not to be legally due.

**TAXING AUTHORITY** — the Township of Sandy, as well as any officer, agent, agency, clerk, income tax officer, collector, employee or other person whom the Township of Sandy has assigned responsibility for the audit, assessment, determination or administration of an eligible tax.

**TAXPAYER** — an individual corporation, partnership or any other entity subject to or claiming exemption from any eligible tax.

**UNDERPAYMENT** — the amount or portion of any eligible tax determined to be legally due in the manner provided by law for which payment or remittance has not been made.

(Res. 1999-9, 5/19/1999, §I; as amended by Res. 2007-22, 12/17/2007)

**§24-502. Local Taxpayer Bill of Rights.**

1. Local Taxpayer Bill of Rights Disclosure Statement. The Township hereby adopts the Disclosure Statement attached hereto as Exhibit A. Any taxpayer contacted regarding an assessment, audit, determination, review or collection of an eligible tax receiving an assessment notice for an eligible tax shall simultaneously receive a Notice of Availability of Local Taxpayer Bill of Rights. The requisite Notice of Availability is attached hereto as Exhibit B. If a taxpayer requests the Local Taxpayer Bill of Rights Disclosure Statement, a copy shall be mailed to the taxpayer.

## TAXATION, SPECIAL

2. Confidentiality of Information. Any information obtained by the Township as a result of an audit, return, report, investigation, hearing or verification shall be confidential, except as otherwise provided by law or for official purposes. If an officer, employee or agent of the Township divulges in any manner confidential information gained as a result of the foregoing, she/he shall be subject to dismissal from office or discharge from employment.
3. Time Limits for Response to Information Requests. A taxpayer shall have at least 30 days to respond to a request for information from the Township. When the Township requests information from a taxpayer, it shall simultaneously provide the taxpayer with an Information Request Time Extension Procedure Notice. The form for such notice is attached hereto as Exhibit C. If the taxpayer requests a reasonable extension of time to respond to an information request and states good cause, the request will be granted. The Township will not take any action against a taxpayer for the tax year in question until the expiration of the applicable response period, including extensions.
4. Act 50 requires the Township to adopt regulations concerning the form and content of petitions, as well as practice and procedure for tax appeal petitions. The required regulations as adopted by the Township are attached as Exhibit D.
5. The attached Initial Refund Claim Procedures, Initial Refund Claim Form and Form for the Petition for Appeal and Refund are hereby adopted by Sandy Township as official procedure and forms.

In order to make determinations on petitions from taxpayers relating to an assessment or refund of an eligible tax, the Township adopts the following administrative process:

- ( ) Review or hearing and decision by a Local Tax Appeal Board, consisting of three members. The Board of Supervisors shall determine the qualifications for service on the Board and compensation, if any, and shall appoint the members of the Board by way of separate resolutions.
- (X) Review and decision by the Board of Supervisors in executive session.
- ( ) Hearing and decision by a hearing officer appointed by the Board of the Township of Sandy. The Township of Sandy shall determine the qualifications of such hearing officers and compensation, if any, and shall appoint the hearing officers by way of separate resolution.

(Res. 1999-9, 5/19/1999, §II; as amended by Res. 2007-22, 12/17/2007)