

**BOARD OF SUPERVISORS
TOWNSHIP OF WILLIAMS NORTHAMPTON COUNTY,
PENNSYLVANIA**

LOCAL SERVICES TAX ORDINANCE

ORDINANCE NO. 2012-04

***AN ORDINANCE OF THE BOARD OF SUPERVISORS OF
WILLIAMS TOWNSHIP, NORTHAMPTON COUNTY,
PENNSYLVANIA, REPEALING ORDINANCE NUMBER 1970-20
RELATING TO THE OCCUPATIONAL PRIVILEGE TAX, AND
ADOPTING A LOCAL SERVICES TAX AND AUTHORIZING
THE COLLECTION OF THE LOCAL SERVICES TAX AND
PROVIDING FOR EXEMPTIONS TO SAID TAX IN
ACCORDANCE WITH PENNSYLVANIA STATE LAW.***

Preamble

WHEREAS, the Local Tax Enabling Act, Act of December 31, 1965, Act No. 511, (53 P.S. § 6901 et seq.) as amended, particularly by Act 222 of 2004, authorized the Township to enact an ordinance imposing an Emergency and Municipal Services Tax at a flat rate of Fifty-Two Dollars (\$52.00) upon each adult resident and nonresident employed within the jurisdiction of Williams Township;

WHEREAS, the State Legislature amended the aforementioned Act in June 2007 and instituted additional conditions and procedures for the Emergency and Municipal Services Tax and renamed the tax the Local Services Tax, as set forth at 53 P.S. §6924.101 *et seq.*, as amended;

WHEREAS, it is the intention of the Williams Township Board of Supervisors to comply with the laws of Pennsylvania; and,

WHEREAS, the Board of Supervisors of Williams Township intends to hereby repeal the Occupational Privilege Tax and adopt an ordinance creating the Local Services Tax authorizing the collection of the Local Services Tax in accordance with the conditions and requirements of 53 P.S. §6924.101 *et seq.*, as amended.

NOW THEREFORE, BE IT ENACTED AND ORDAINED by the Board of Supervisors of Williams Township, Northampton County, Pennsylvania, and in accordance with law as follows:

ARTICLE I. REPEAL OF THE OCCUPATIONAL PRIVILEGE TAX

Williams Township Occupational Privilege Tax enacted by Ordinance 1970-20 is hereby repealed in its entirety.

ARTICLE II. ADOPTION OF THE LOCAL SERVICES TAX

The Board of Supervisors of Williams Township hereby adopts the Local Services Tax as set forth herein.

ARTICLE III. LEVY AND COLLECTION OF TAX

The Williams Township Board of Supervisors, for the purpose of providing revenue for emergency services, road maintenance and construction, reductions in property taxes and property tax relief does hereby impose on each adult resident and nonresident employed and/or engaged in an occupation within the jurisdiction of Williams Township a Local Services Tax at a flat rate which said tax shall be in addition to all other taxes levied and assessed by the Township pursuant to any other laws of the Commonwealth of Pennsylvania. Williams Township shall use no less than twenty-five percent of the funds derived from the tax for emergency services.

ARTICLE IV. AMOUNT OF TAX

Beginning on the January 1, 2013, each adult resident or nonresident employed within the boundaries of Williams Township shall be required to pay an annual Local Services Tax in an amount of Fifty-Two Dollars (\$52.00) Dollars.

ARTICLE V. DISCOUNT, FLAT RATE AND PENALTY PERIODS

The Local Services Tax shall not be subject to the imposition of the Local Tax Enabling Act discount and penalty provisions in regard to the levy and collection of this Local Services Tax.

ARTICLE VI. MANNER OF COLLECTION OF TAX

A. The Tax imposed by this Ordinance shall be collected by the duly elected or appointed Tax Collector of Williams Township (as appointed by the Board of Supervisors by Resolution) in accordance with State and Local regulations and in the same manner as other Township taxes. It shall be the duty of each adult employed within Williams Township to pay the Local Services Tax in accordance with 53 P.S. §6924.101 *et seq.* Each individual covered under this Ordinance and required to pay the Local Services Tax shall be assessed a pro rata share of the tax for each payroll period in which the individual is engaged in an occupation within the Township. The pro rata share of the tax assessed on the individual for a payroll period shall be determined by dividing the combined rate of the Local Service Tax levied for the calendar year (\$52.00) by the number of payroll periods established by the employer for the calendar year. For purposes of determining the pro rata share, an employer shall round down the amount of the tax collected each payroll period to the nearest one-hundredth of a dollar. The collection of the Local Services Tax shall be made on a payroll period basis for each payroll period in which the person is engaged in an occupation, except as otherwise provided for within 53 P.S. §6924.101 *et seq.* Each self-employed individual who performs services of any type or kind or engages in any occupation or profession within a primary place of employment within Williams Township shall be required to comply with this article and pay the pro rata portion of the tax due to the Tax Collector on or before the thirtieth day following the end of each quarter.

B. Each employer within Williams Township, as well as those employers situated outside Williams Township but who engage in business within Williams Township, shall withhold this Local Services Tax from the compensation of their employees who are subject to the tax. This Local Services Tax shall be withheld from each employee that is subject to the Local Services Tax and said tax shall be collected by the duly elected or appointed Tax Collector of Williams Township (as appointed by the Board of Supervisors by Resolution) in accordance with State and Local regulations and in the same manner as other Township taxes.

ARTICLE VII. WARRANT FOR COLLECTION OF TAX

The entry of the tax in the tax duplicate and the issuance of the said duplicate to the Tax Collector shall constitute his warrant for the collection of the tax as hereby assessed. Each employer within Williams Township shall cooperate with the Township in identifying those people employed within the Township.

ARTICLE VIII. EXEMPTIONS

The following persons shall be exempt from the Local Services Tax:

A. Any person who served in any war or armed conflict in which the United States was engaged and honorably discharged or released under honorable circumstances from active duty, 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 successor to be a total one hundred percent 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 who earns less than Twelve Thousand Dollars (\$12,000.00) in earned income and net profits from all sources within Williams Township for the calendar year in which the Local Services Tax is levied.

1. A person seeking to claim an exemption from the Local Services Tax may annually file an exemption certificate with Williams Township, the Township Tax Collector and with the person's employer affirming that the person reasonably expects to receive earned income and net profits from all sources within Williams Township of less than Twelve Thousand Dollars (\$12,000) in the calendar year for which the exemption certificate is filed. The exemption certificate shall have attached to it a copy of all the employee's last pay stubs or W-2 forms from employment within Williams Township for the year prior to the fiscal year for which the employee is requesting to be exempted from the local services tax. Upon receipt of the exemption certificate and until otherwise instructed by Williams Township, the employer shall not withhold the tax from the person during the calendar year or the remainder of the calendar year for which the exemption certificate applies. Employers shall ensure that the exemption certificate forms, which are provided by the Department of Community and Economic Development, are readily available to employees at all times and shall furnish each new employee with a form at the time of hiring. For purposes of this section, earned income and net profits shall have the same meanings as in Section 13 of the Local Tax Enabling Act, as amended, 53 P.S. §6913, as amended.

2. With respect to a person who claimed an exemption for a given calendar

year from the Local Services Tax, upon notification to an employer by the person or by Williams Township that the person has received earned income and net profits from all sources within the Township equal to or in excess of Twelve Thousand Dollars (\$12,000) in that calendar year or that the person is otherwise ineligible for the tax exemption for that calendar year, or upon an employer's payment to the person of earned income within the Township in an amount equal to or in excess of Twelve Thousand Dollars (\$12,000) in that calendar year, an employer shall withhold the Local Services Tax from the person under subsection (3) below.

3. If a person who claimed an exemption for a given calendar year from the Local Services Tax becomes subject to the tax for the calendar year under subsection (2) above, the employer shall withhold the tax for the remainder of that calendar year. The employer shall withhold from the person, for the first payroll period after receipt of the notification under subsection (2), a lump sum equal to the amount of tax that was not withheld from the person due to the exemption claimed by the person under this subsection, plus the per payroll amount due for that first payroll period. The amount of tax withheld per payroll period for the remaining payroll periods in that calendar year shall be the same amount withheld for other employees. In the event the employment of a person subject to withholding of the tax under this subsection is subsequently severed in that calendar year, the person shall be liable for any outstanding balance of tax due, and the Township may pursue collection under this ordinance.

ARTICLE IX. PRIORITY OF CLAIM

A. No person shall be subject to the payment of the Local Services Tax by more than one political subdivision during each payroll period.

B. The situs of the tax shall be the place of employment on the first day the person becomes subject to the tax during each payroll period.

C. In the event a person is engaged in more than one occupation, that is, concurrent employment, or an occupation which requires the person working in more than one political subdivision during a payroll period, the priority of claim to collect the Local Services Tax shall be in the following order: first, the political subdivision in which a person maintains the person's principal office or is principally employed; second, the political subdivision in which the person resides and works, if the tax is levied by that political subdivision; and third, the political subdivision in which a person is employed and which imposes the tax nearest in miles to the person's home.

D. In the case of concurrent employment, an employer shall refrain from withholding the Local Services Tax if the employee provides a recent pay statement from a principal employer that includes the name of the employer, the length of the payroll period and the amount of the Local Services Tax withheld and a statement from the employee that the pay statement is from the employee's principal employer and the employee will notify other employers of a change in principal place of employment within two weeks of its occurrence.

ARTICLE X. REFUNDS

A person claiming the right to a refund for the Local Services Tax shall follow the regulations governing refunds in accordance with 53 Pa. C.S. §§ 8425 and 8426, as amended, and/or any Township ordinance or resolution governing said refunds.

ARTICLE XI. VIOLATIONS AND PENALTIES

Any resident or nonresident who fails or refuses to pay the Local Services Tax or to render accurate information to an assessor concerning the status of their employment or age, shall, upon conviction thereof, be sentenced to pay a fine of not more than Six Hundred Dollars (\$600.00) and in default of payment, to imprisonment for a term not to exceed thirty (30) days. The Tax Collector and Township may also proceed with all other available remedies, including but not limited to filing an action for the recovery of any tax due or unpaid under this Ordinance, together with interest and penalty.

ARTICLE XII. REPEALER

All ordinances or parts of ordinances which are inconsistent herewith, including but not limited to Ordinance 1970-20, are hereby repealed.

ARTICLE XIII. SEVERABILITY

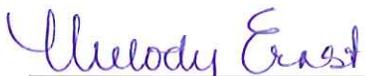
If any section, paragraph, sub-section, clause or provision of this Ordinance shall be declared invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of this Ordinance as a whole or any part thereof other than that portion specifically declared invalid.

ARTICLE XIV. EFFECTIVE DATE

This Ordinance shall become effective on January 1, 2013.

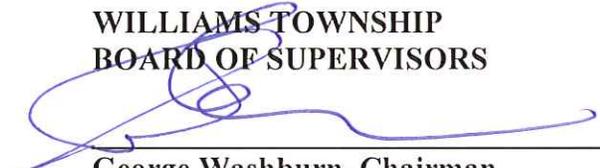
ENACTED AND ORDAINED this 10th day of October, A.D., 2012.

ATTEST:



Melody Ernst, Secretary

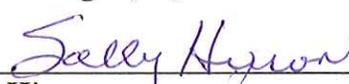
**WILLIAMS TOWNSHIP
BOARD OF SUPERVISORS**



George Washburn, Chairman



Vincent Foglia, Vice Chairman



Sally Hixson