

Borough of Portage

PORTAGE, PENNSYLVANIA

ORDINANCE 5-2011

An Ordinance of the Borough of Portage establishing, modifying and reenacting an earned income tax for residents of Portage Borough

WHEREAS, Act No. 511 of the 1965 General Assembly of the Commonwealth of Pennsylvania, known as the "Local Tax Enabling Act" (hereafter "LTEA"), authorizes certain political subdivisions to levy, assess and collect a tax on salaries, wages, commissions, compensation, net profits and earned income referred to as the "Earned Income Tax;" and

WHEREAS, Act No. 32 of the 2008 General Assembly of the Commonwealth of Pennsylvania, 53 P.S. §6924.501 *et seq.*, (hereafter "Act 32") amended and restated the LTEA, wherein said Act 32 established entities known as a Tax Collection Districts (hereafter "TCD") for the purposes of county-wide collection of income taxes and other taxes. The geographic boundaries of a TCD shall be coterminous with the county in which it is created and shall consist of municipalities and school districts located within TCD; and

WHEREAS, Portage Borough is located within the Cambria County TCD;

WHEREAS, Act 32 established tax collection committees (hereafter "TCC") wherein said TCCs would govern the TCDs pursuant to Act 32; and

WHEREAS, pursuant to Act 32, CCTCC was established to serve as the TCC for the Cambria County TCD; and

WHEREAS, the CCTCC has recommended to the municipalities and school districts within the Cambria County TCD that it update its current Income Tax Ordinance to reflect the changes set forth by Act 32; and

WHEREAS, Portage Borough intends to update its current income tax ordinance to reflect the changes of Act 32; and

NOW THEREFORE, the Governing Body of Portage Borough hereby ordains as follows:

Section One: Authorization

This Ordinance is enacted pursuant to the authority granted by the Local Tax Enabling Act, P.L. 1257, known as Act No. 511 of 1965, effective January 1, 1966, as thereafter amended through in Act 166 of 2002 and Act No. 32 of 2008, 53 P.S. Sec 6294.101 *et seq.* (known as the Local Tax Enabling Act and herein referred to as the "Act"). The provisions contained herein are made for the purpose of amending and supplementing Ordinance 3-1999 adopted on 4/5/1999.

Section Two: Incorporation by Reference

The Governing Body of Portage Borough hereby adopts by reference Act 32 (53 P.S. §6924.101 through 53 P.S. §6924.901) and its definitions, duties, directives, rules, regulations, powers and penalties as if same had been set forth fully herein.

Section Three: Imposition of Tax

A tax at a rate of one percent (1%) on each dollar is hereby imposed on all earned income and net profits, as defined by Act 32, earned by residents of Portage Borough on all earned income and net profits earned by nonresidents of Portage Borough for work done or services performed or rendered in Portage Borough. All changes shall remain in effect on a calendar year basis without annual reenactment unless the rate of tax is subsequently charged.

Section Four: Administration-Powers and Duties of Officer

The collection and administration of the tax provided for in this Ordinance shall be performed by the Tax Officer appointed by the Cambria County Tax Collection Committee ("CCTCC"). Said Tax Officer shall receive such compensation for his services and expenses as determine from time to time by the CCTCC. Such Tax Officer shall administer have powers and duties as provided for by Act 32 and the Local Tax Enabling Act.

Section Five: Severability

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared invalid by a Court of competent jurisdiction, such decision shall not affect the validity of the Ordinance in its entirety or of any part thereof other than that part declared to be invalid.

Section Six: Effective Date

This Ordinance shall be effective January 1, 2012. It is the intention of the governing body of Portage Borough that this Ordinance shall provide procedural modifications only to the previously adopted Earned Income Tax Ordinance, and no gap as to imposition of the tax set forth herein should be inferred.

ORDAINED AND ENACTED this 18TH day of JULY, 2011

BOROUGH OF PORTAGE

By: Sharon M. McCarthy
Sharon M. McCarthy
President

Attest: Michelle Claar
Michelle Claar
Borough Secretary