MUNICIPALITY OF MONROEVILLE
ALLEGHENY COUNTY, PENNSYLVANIA

ORDINANCE NO. 2524

AN ORDINANCE OF THE MUNICIPALITY OF MONROEVILLE, ALLEGHENY COUNTY, PENNSYLVANIA, AMENDING THE EARNED INCOME TAX ORDINANCE NO. 2281 TO REFLECT THE CHANGES OF ACT 32 EFFECTIVE JANUARY 1, 2012.

WHEREAS, Act 511 of the 1965 General Assembly of the Commonwealth of Pennsylvania, known as the *Local Tax Enabling Act* authorizes 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 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 Local Tax Enabling Act; and

WHEREAS, the Municipality of Monroeville intends to update its current income tax Ordinance to reflect the changes of Act 32.

NOW THERFORE, this Ordinance is hereby 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 amended through in Act 166 of 2002 and Act No. 32 of 2008, 53 P.S. Sec. 6924.101 et seq. (known as the Local Tax Enabling Act and herein referred to as the "Act").

SECTION 1. Incorporation 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 is hereby adopted by reference as if same had been set forth fully herein.

SECTION 2. Definitions.

The following words and phrases are included herein when used in this section shall have the meanings given to them in this section unless the context clearly indicates otherwise:

Earned Income. The compensation as required to be reported to or as determined by the Department of Revenue under section 303[fn2] of the act of March 4, 1971 (P.L. 6, No. 2), known as the Tax Reform Code of 1971, and rules and regulations promulgated under that section. Employee business expenses as reported to or determined by the Department of Revenue under Article III of the Tax Reform Code of 1971 shall constitute allowable deductions in determining earned income. The term does not include offsets for business losses. The amount of any housing allowance provided to a member of the clergy shall not be taxable as earned income.

Domicile. The place where a person lives and has a permanent home and to which the person has the intention of returning whenever absent. Actual residence is not necessarily domicile, for domicile is the fixed place of abode 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 the person to adopt some other permanent home. In the case of a business, domicile is that place

considered as the center of business affairs and the place where its functions are discharged.

Net Profits. The net income from the operation of a business, other than a corporation, as required to be reported to or as determined by the Department of Revenue under section 303 of the act of March 4, 1971 (P.L. 6, No. 2), known as the Tax Reform Code of 1971, and rules and regulations promulgated under that section.

Nonresident. A person or business domiciled outside the political subdivision levying the tax.

Resident. A person or business domiciled in the political subdivision levying the tax.

Tax Collection Committee (TCC). The Southeast Tax Collection Committee established to govern this tax collection district for the purpose of income tax collection.

Tax Collection District (TCD). The Southeast Tax Collection District is established under section 504 of Act 32.

Tax Officer/Tax Collector The agency engaged to administer and collect earned income taxes for this tax collection district. Unless otherwise specifically provided, for purposes of the obligations of an employer, the term shall mean the tax officer for the tax collection district within which the employer is located, or, if an employer maintains workplaces in more than one district, the tax officer for each such district with respect to employees principally employed therein.

In addition to the above definitions, this section incorporates by reference those words, phrases and definitions as listed in Act 32 (53 P.S. §6924.101 through 53 P.S. §6924.901).

SECTION 3. Imposition of Tax

Resident Tax - A tax at the rate of one percent (1%) is hereby levied on all earned income and net profits, as defined by Act 32, on residents of Monroeville.

Nonresident Tax - A tax at the rate of one percent (1 %) is hereby levied on all earned income and net profits earned by nonresidents for work done or services performed or rendered in the Municipality of Monroeville.

All changes shall remain in effect on a calendar year basis without annual reenactment unless the rate of tax is subsequently changed.

SECTION 4. 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 Tax Collection Committee. Said Tax Officer shall receive compensation for services and expenses as determined by agreement between the TCC and the Tax Officer. The Tax Officer shall have the powers as provided for by the Local Tax Enabling Act.

SECTION 5. Exemptions and credits

No exemptions or credits based on age or income, or any other conditions are granted by this Ordinance. Nothing in this Ordinance is intended to preclude or inhibit any credit or exemption imposed by act of law or regulation.

SECTION 6. Severability

If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect

any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion.

Section 7. Effective Date

This Ordinance shall be effective January 1, 2012. It is the intention of the governing body of Monroeville 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 11th day of October, 2011.

ATTEST:

Timothy J. Little
Municipal Manager

MUNICIPALITY OF MONROEVILLE

Gregory Erosenko
Mayor

ENTERED INTO LEGAL BOOK: October 21, 2011