

MUNICIPALITY OF MURRYSVILLE
WESTMORELAND COUNTY, PENNSYLVANIA

RESOLUTION NO. 508-06

RESOLUTION ESTABLISHING AN ADMINISTRATIVE PROCESS FOR THE LIMITED WAIVER OF EMPLOYERS' WITHHOLDING AND DISBURSEMENT OF \$42.00 OF THE \$52.00 EMERGENCY AND MUNICIPAL SERVICES TAX BASED UPON A TAXPAYER'S "GOOD FAITH" EXEMPTION REQUEST IF HIS OR HER EARNED INCOME FOR THE YEAR FROM ALL SOURCES (EXCLUDING PENSIONS AND ANNUITIES) IS ANTICIPATED TO BE LESS THAN \$12,000.00.

WITNESSETH:

WHEREAS, the Council of the Municipality of Murrysville enacted Ordinance No. 676-04 which established under Article II an obligation for payment of a \$52.00 Emergency and Municipal Services Tax (hereinafter also called "EMS Tax"), and under Article V(B) for an exemption therefrom if the taxpayer's earned income from all sources (excluding pensions and annuities)¹ is less than \$12,000.00 per annum; and

WHEREAS, the Council of the Municipality of Murrysville desires to avoid the burden imposed upon the municipal staff in the processing and determination of end of year "exemption claim request" forms as provided for at Exhibit "1" to Ordinance No. 676-04; and

WHEREAS, the Council of the Municipality of Murrysville, by Motion at its April 20, 2006 public meeting, indicated that partial relief from an employer's withholding and/or payment of the tax be granted if a taxpayer's earned income for the tax year from all sources (excluding pensions and annuities) is anticipated to be less than

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Ordinance No. 676-04 provides at Exhibit "1" - Page 1, that earned income for purposes of an exemption is limited to only those annual earnings that are subject to the local 1% earned income tax due the Municipality of Murrysville and Franklin Regional School District. This Resolution is to conform to Ordinance No. 676-04 in such regard for purposes of granting an exemption.

\$12,000.00, thereby qualifying the taxpayer to a partial tax exemption of \$42.00; and

WHEREAS, the Council of the Municipality of Murrysville now desires to formally establish a process for administering such “*good faith*” exemptions, as aforesaid, where the taxpayer’s aforesaid earned income for the year is anticipated to be less than \$12,000.00.

NOW, THEREFORE,

BE IT RESOLVED AND ENACTED, AND IT IS HEREBY RESOLVED AND ENACTED BY THE COUNCIL OF THE MUNICIPALITY OF MURRYSVILLE, WESTMORELAND COUNTY, PENNSYLVANIA, PURSUANT TO THE AUTHORITY OF SAME, UNDER THE HOME RULE CHARTER OF THE MUNICIPALITY OF MURRYSVILLE, AS FOLLOWS:

Section 1: Taxpayer Classification: Taxpayers who are within any one of the following class of taxpayers may be eligible for the “*good faith*” relief provided for under Section 3.

- A. Persons receiving Social Security;
- B. Persons who have been receiving Social Security Disability for a period of at least six (6) months prior to their exemption request;
- C. Persons who are subject to a disability which has limited their full time employment for a period of at least three (3) of the preceding six (6) months prior to their exemption request;
- D. Persons who are pursuing a high school, undergraduate or graduate education, or vocational training on a full time basis for a period covering at least six (6) months of the subject tax year of their exemption request;
- E. Any persons who can document that their prior years’ earned income was less than the prevailing exemption amount.

Section 2: Verified Statement of Anticipated Earnings: A taxpayer in any of the foregoing taxpayer classifications, and whose earned income for the subject tax year from all sources (excluding pensions and annuities) is anticipated to be less than \$12,000.00, may submit to their employer a “*good faith*” exemption request application, together with his/her confirming “*verified statement*” setting forth his/her anticipated earned income for the subject tax year on a municipal form established for such purpose.

Section 3: Employers' Withholding of EMS Tax: All employers are required to withhold only \$10.00 of the \$52.00 EMS Tax from a taxpayer's earnings if taxpayer has demonstrated his/her entitlement to "good faith" relief under the provisions of Sections 1 and 2 of this Resolution. The "good faith" exemption amount of \$42.00 is to be returned by employer to taxpayer if withheld prior to receipt of his/her verified statement, but not disbursed to the Murrysville Tax Collector or authorized representative.

Section 4: Taxpayer's Direct Tax Payment: A taxpayer may also submit only \$10.00 of the \$52.00 EMS Tax to the Murrysville Tax Collector, or authorized representative, upon taxpayer demonstrating to same his/her "good faith" entitlement to such relief under the provisions of Sections 1 and 2 of this Resolution.

Section 5: Taxpayer's End of Year Documentation: The "good faith" relief extended hereunder from payment of the \$42.00 EMS Tax during the tax year shall not relieve a taxpayer from payment thereof if taxpayer's actual earned income from all sources (excluding pensions and annuities) exceeds \$12,000.00 for the year. Each taxpayer who has received "good faith" relief under the provisions of this Resolution is still required to submit to the Murrysville Tax Collector or authorized representative no later than January 31, a *verified statement* setting forth his/her earned income from all sources (excluding pensions and annuities) for the preceding tax year, and if the \$12,000.00 exemption has been exceeded for the preceding tax year, taxpayer shall submit payment of the remaining \$42.00 EMS Tax due to the Municipality. A taxpayer's failure to timely file his/her verified statement, as aforesaid, and/or failure to timely pay all outstanding EMS tax due the Municipality shall be subject to the penalty provisions as contained in the Murrysville Code, Article V, Occupational Privilege Tax, as amended by Ordinance No. 676-04.

Section 6: This Resolution shall be effective on 19th day of April, 2006, upon enactment by the Council of the Municipality of Murrysville.

THIS RESOLUTION ORDAINED AND ENACTED AT A REGULARLY CONSTITUTED DULY CONVENED MEETING OF THE COUNCIL OF THE MUNICIPALITY OF MURRYSVILLE, THIS 19th DAY OF April, 2006.

COUNCIL OF THE MUNICIPALITY OF MURRYSVILLE

Theo van de Venne
Theo van de Venne, Council President

ATTEST:

John M. Barrett III
John M. Barrett, III, Municipal Secretary
(SEAL)

APPROVED:

Joyce K. Somers
Joyce K. Somers, Mayor

Dated: April 19, 2006

Member	Yes	No	Absent	Abstain
Jack Bankoske	✓			
Robert J. Brooks	✓			
Jeffrey C. Franke	✓			
Nancy Kacin	✓			
Lawrence J. Nicolette	✓			
Dennis Pavlik	✓			
Theo van de Venne	✓			

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MUNICIPALITY OF MURRYSVILLE
WESTMORELAND COUNTY, PENNSYLVANIA

ORDINANCE NO. 676-04

AN ORDINANCE AMENDING THE MURRYSVILLE CODE, ARTICLE V, OCCUPATIONAL PRIVILEGE TAX, TO RENAME IT "EMERGENCY AND MUNICIPAL SERVICES TAX", AND TO PROVIDE FOR AN INCREASE IN THE AMOUNT THEREOF FROM FIVE DOLLARS (\$5.00) TO FIFTY TWO DOLLARS (\$52.00) FOR EACH CALENDAR YEAR, AND TO PROVIDE FOR AN EXEMPTION FROM SAID TAX FOR ANY PERSON WHOSE EARNED INCOME FROM ALL SOURCES IS LESS THAN \$12,000.00 FOR THE TAX YEAR.

WHEREAS, the Commonwealth of Pennsylvania enacted "The Local Tax Enabling Act" (Act 511 of 1965) that granted to local municipalities authority to impose and collect, inter alia, an occupational privilege tax; and

WHEREAS, the Legislature of the Commonwealth of Pennsylvania has passed Act 222 of 2004 which has been signed by the Governor, and which contains provisions, inter alia, to change the name of the Occupational Privilege Tax to the "Emergency and Municipal Services Tax", to increase the amount thereof to a maximum of \$52.00 per calendar year, to provide for a low income exemption, and to restrict use of said funds; and

WHEREAS, the Council of the Municipality of Murrysville desires to conform the Murrysville Code to the directives and provisions of Act 222 of 2004 in changing the name of said tax, as aforesaid, and to avail itself of the additional tax power provided in Act 222 of 2004, to provide for a low income exemption, and to restrict the use of said funds.

NOW, THEREFORE,

BE IT ORDAINED AND ENACTED, and it is hereby ordained and enacted by the Council of the Municipality of Murrysville, Westmoreland County, Pennsylvania, pursuant to the authority of Section C-26 (M) of the Municipality of Murrysville Home Rule Charter, and Act 222 of 2004.

ARTICLE I. Murrysville Code, Article V, Occupational Privilege Tax, is herein amended so that any reference to the term "Occupational Privilege Tax" in Article V of the Murrysville Code shall hence forth mean the "Emergency and Municipal Service Tax" (hereafter also called "EMST"), and shall be so substituted throughout Article V, and such substitution shall extend with like force and effect to any other reference to the term "Occupational Privilege Tax" that may be present in any other Article, Section or Subsection of the Murrysville Code.

ARTICLE II. Murrysville Code, Article V, Emergency and Municipal Services Tax (as said tax is now known by this amendment), Section 206-41 Imposition of Tax, Subsection A, is herein amended to increase the annual EMST tax from five dollars (\$5.00) to fifty two dollars (\$52.00) for each calendar year, as follows:

A An annual tax for general revenue purposes of ~~five \$5.00) dollars~~ fifty-two dollars (\$52.00) is hereby imposed on all individuals for the privilege of engaging in an occupation in the municipality, as herein provided. This enactment is not intended to deny the Franklin Regional School District of a right to receive up to five dollars (\$5.00), of the said fifty two (\$52.00), if it has a valid and sustaining tax in place in any tax year.

ARTICLE III. Murrysville Code, Article V, Emergency and Municipal Services Tax, Section 206-41 Imposition of Tax, Subsection B, is herein amended to substitute the language prescribed by state law to establish the situs of such EMST, and the priority of claim for collection of said tax, as follows:

~~B. The tax levied hereunder shall apply only once to any person, and those persons with more than one (1) occupation or having their place of principal employment outside the municipality shall not be subject to this tax, provided that a tax receipt of the outside taxing authority for that calendar year declaring prior payment of an occupation privilege tax is presented.~~ The situs of the EMST shall be the place of employment, but in the event a person is engaged in more than one occupation, or an occupation which requires his working in more than one political subdivision during the calendar year, the priority of claim to collect the EMST shall be in the following order: FIRST, the political subdivision in which a person maintains his principal office or is principally employed; SECOND, the political subdivision in which the person resides and works, if such a tax is levied by that political subdivision; THIRD, the political subdivision in which a person is employed and which imposes the tax nearest in miles to the person's

home. The place of employment shall be determined as of the day the taxpayer first becomes subject to the tax during the calendar year. It is the intent of this provision that no person shall pay more than fifty-two dollars (\$52.00) in any calendar year as an EMST irrespective of the number of political subdivisions within which such person may be employed within any given calendar year. In case of dispute, a tax receipt of the taxing authority for that calendar year declaring that the taxpayer has made prior payment will constitute prima facie certification of payment to all other political subdivisions.

ARTICLE IV. Murrysville Code, Article V, Emergency and Municipal Services Tax, Section 206-42, Collection and Disposition, Subsection D, is herein amended to require each employer to collect the increase in the annual EMST from five dollars (\$5.00) to fifty two (\$52.00), as follows:

- A. Each employer within the Municipality of Murrysville shall deduct the tax of ~~five dollars (\$5.00)~~ fifty two dollars (\$52.00) from the compensation of all individuals in their employment and make a return and pay to the Municipal Tax Collector the amount of tax so deducted. Said deduction shall be made annually on or before the 30th day of April or within one (1) calendar month of the date of employment, except as provided in Section 206-41 of the Murrysville Code.

ARTICLE V. Murrysville Code, Article V, Emergency and Municipal Services Tax, is herein amended to include additional new sections, providing for the following:

A. Section 206-49 *Use of Revenue.* - The EMST revenues under the increased tax levy are restricted to the following uses: police, fire and emergency services; road construction and/or maintenance; or reduction of property taxes.

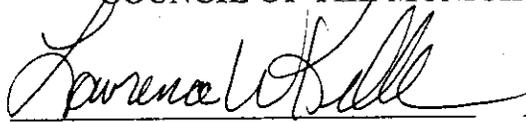
B. Section 206-50 *Exemption from Payment.* - Council shall exempt any person whose earned income from all sources is less than twelve thousand dollars (\$12,000.00) per annum from payment of forty-two dollars (\$42.00) of the fifty-two dollars (\$52.00) EMST due under this Ordinance, conditioned, however, that the applicant complies with the exemption procedure set forth at Exhibit "1".

C. Section 206-51 Effective Date. – This Ordinance is effective upon the date of enactment and applies to tax years beginning with 2005, and shall continue in force for succeeding fiscal years without annual reenactment.

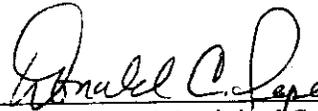
D. Section 206-52 Deadline for Requesting Refund – The application for a refund request must be received by the Tax Collector no later than April 15 for the preceding tax year.

THIS ORDINANCE ORDAINED AND ENACTED AT A REGULARLY CONSTITUTED DULY CONVENED MEETING OF THE COUNCIL OF THE MUNICIPALITY OF MURRYSVILLE THIS 27TH DAY OF December, 2004.

COUNCIL OF THE MUNICIPALITY OF MURRYSVILLE



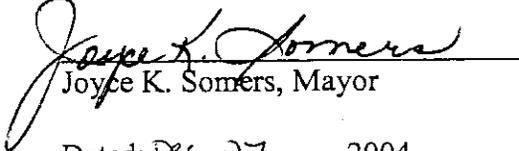
Lawrence Keller, Council President



Donald C. Pepe, Municipal Secretary

(Seal)

APPROVED/REJECTED:


Joyce K. Somers, Mayor

Dated: Dec. 27, 2004

Member	Yes	No	Absent	Abstain
Jack Bankoske	✓			
Robert J. Brooks	✓			
Joan C. Kearns	✓			
Lawrence W. Keller	✓			
G. Ted Mallick	✓			
Dennis Pavlik	✓			
Theo van de Venne	✓			

Exemption from payment

A. Claim form, adoption of regulations. The Council of the Municipality of Murrysville shall, by regulation, provide for the creation of an exemption claim request form, which shall include but not be limited to disclosure of all personal and real property capable of producing "earned" income; disclosure of all income earned or received from employment or received jointly, solely or through entireties property producing "earned" income; and disclosure of ~~receipts and~~ income reported on joint or sole income tax returns. ~~and all receipts from pensions and annuities.~~ Earned income for purposes of this exemption is limited to only those annual earnings that are subject to the local 1% earned income tax due the Municipality of Murrysville and Franklin Regional School District. The Council shall, by regulation, also provide for the receipt and processing of said claim forms by the Tax Collector of the Municipality of Murrysville, the reference thereof to the Council and the rendition of a decision upon such application claim request form by the Council, with or without a hearing. An exemption request must be received by the tax collector prior to the end of the tax year for which the exemption has been requested by applicant. A taxpayer's whose exempt status has been affirmatively determined must file his/her eligibility affidavit by January 31, of each successive year as hereinafter provided under paragraph "D" of this Exhibit.

B. Rendition of decision. The Council shall, within thirty (30) days of receipt of a recommendation of the Tax Collector, or within ten (10) days of a hearing as provided for in the regulations concerning the processing of claims, advise the applicant of its decision and shall forthwith forward a copy thereof to the Tax Collector.

C. Determination of eligibility for Emergency & Municipal Services tax exemptions

- (1) If, upon hearing or recommendation of the Tax Collector, it is established that the applicant's ~~receipts and/or~~ income from all sources, as aforesaid, is less than twelve thousand dollars (\$12,000.00) per annum, the Council shall exempt the applicant from payment of \$42.00 of the emergency and municipal services tax for the then-current calendar year.

- (2) ~~Receipts and/or~~ income from all sources as used herein shall include ~~but not be limited to~~ all ~~receipts and/or~~ income, as aforesaid, earned by applicant's spouse, but not his/her spouse who has the same domicile as the applicant. ~~except~~ Where both spouses are applicants each ~~and both~~ spouse must individually and independently qualify for said exemption.

- D. Duration of eligibility. After one has received a determination of eligibility for exempt status by the Council, such determination shall continue from year to year thereafter, provided that the applicant files with the Council by January 31 of each successive year an affidavit to the effect that no increment in income as defined herein is reasonably expected within the then-ensuing calendar year.