

Article II — Imposition of Tax

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Article II — Imposition of Tax

§ 80-201 In General.

The tax levied under this Chapter shall be applicable to earned income received and to net profits earned in the period beginning January 1, of the current year, and ending December 31, of the current year or for taxpayer fiscal years beginning in the current year, except that taxes imposed for the first time shall become effective from the date specified in the ordinance or resolution, and the tax shall continue in force on a calendar year or taxpayer fiscal year basis, without annual reenactment, unless the rate of the tax is subsequently changed. Changes in rate shall become effective on the date specified in the ordinance.

[Ord. 498 11-30-2011]

§ 80-202 Tax Imposed.

A tax for general revenue purposes of one percent (1.00%) is hereby imposed on the following:

(a) Earned Income, as defined by this Chapter, received by residents of the Borough on or after January 1, 2012;

(b) Earned income, as defined by this Chapter, received by non-residents of the Borough for work done or services performed or rendered in the Borough on or after January 1, 2012;

(c) Net profits, as defined by this Chapter, earned on or after January 1, 2012, of businesses, professions, and other activities conducted by residents in the Borough; and

(d) Net profits, as defined by this Chapter, earned on or after January 1, 2012, of businesses, professions, and other activities conducted by non-residents in the Borough.

[Ord. 498 11-30-2011]

§ 80-203 Items Taxed.

The tax levied under § 80-202(a) and (b) shall relate to and be imposed upon salaries, wages, commissions, and other compensation paid by an employer or on its behalf to any person who is employed by or renders services to it. The tax levied under § 80-202(c) and (d) shall relate to and be imposed on the net profits of any business, profession, or enterprise carried on by any person as owner or as proprietor, either individually or in association with some other person or persons.

[Ord. 498 11-30-2011]

§ 80-204 Tax Also Imposed by East Penn School District.

It is the intent of this Chapter that the entire burden of the tax imposed herein on a person shall not exceed the limitations prescribed in the LTEA, so that if the East Penn School District shall impose or hereafter shall impose an earned income and net profits tax on the same person such that the total of the Borough and school district taxes shall exceed the limitations prescribed in the LTEA, then the tax levied by the Borough under the authority of the LTEA shall, during the time such duplication of the tax exists, be one-half (1/2) of the maximum rate permitted by law, and such one-half (1/2) rate shall become effective without any action on the part of the Borough; *provided*, however, that the Borough and the East Penn School District may agree that, instead of limiting their respective rates to one-half (1/2) of the maximum rate permitted by law, they will impose respectively different rates, the total of which shall not exceed the maximum rate permitted under the LTEA.

[Ord. 498 11-30-2011]