

Chapter 24

Taxation; Special

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Part 1**Earned Income Tax****§24-101. Definitions.**

The following words or phrases when used in this Part shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

Association—a partnership, limited partnership or any other unincorporated group of two or more persons.

Business—an enterprise, activity, profession, or any other undertaking of an unincorporated nature conducted for profit, or ordinarily conducted for profit, whether by persons, partnerships, associations, or any other entity.

Corporation—a corporation or joint stock association organized under the laws of the United States, the Commonwealth of Pennsylvania or any other State, territory, foreign country, or dependency.

Domicile—the place where one lives and has his permanent home, and to which he has the intention of returning whenever he is 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 voluntary 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 him to adopt some other permanent home. In the case of businesses or associations, the domicile is that place considered as the center of business affairs and the place where its functions are discharged.

Earned income—compensation as determined under §303 of the Act of March 4, 1971, P.L. 6, No. 2, known as the “Tax Reform Code of 1971,” and regulations in 61 Pa.Code, Part. I, Subpart. B, Article V (relating to personal income tax), not including, however, wages or compensation paid to individuals on active military service. Employee business expenses are allowable deductions as determined under Article III of the Tax Reform Code of 1971. The amount of any housing allowance provided to a member of the clergy shall not be taxable as earned income. [*Ord. 1005*]

Employer—a person, partnership, association, corporation, institution, governmental body or unit or agency, or any other entity employing one or more persons for a salary, wage, commission, or other compensation.

Income tax officer or officer—a person, public employee, or private agency designated by the Borough Council to collect and administer the tax on earned income and net profits.

Net profits—the net income from the operation of a business, profession, or other activity, except corporations, determined under §303 of the Act of March 4, 1971, P.L. 6, No. 2, known as the “Tax Reform Code of 1971,” and regulations in 61 Pa.Code, Part I, Subpart B, Article V (relating to personal income tax). The term does not include income which is not paid for services provided and which is in the nature of earnings from an investment. For taxpayers engaged in the business,

profession or activity of farming, the term shall not include:

- (1) Any interest earnings generated from any monetary accounts or investment instruments of the farming business.
- (2) Any gain on the sale of farm machinery.
- (3) Any gain on the sale of livestock held 12 months or more for draft, breeding or dairy purposes.
- (4) Any gain on the sale of other capital assets of the farm.

[*Ord. 1005*]

Nonresident—a person, partnership, association, or other entity domiciled outside the taxing district.

Person or individual—a natural person.

Preceding year—the calendar year before the current year.

Resident—a person, partnership, association, or other entity domiciled in the taxing district.

Succeeding year—the calendar year following the current year.

Taxpayer—a person, partnership, association, or any other entity, required hereunder to file a return of earned income or net profits, or to pay a tax thereon.

(*Ord. 851, 11/26/1990, §601; as amended by Ord. 1005, 5/23/2011*)

§24-102. Imposition of Tax.

A tax at the rate of 1 percent on each dollar is hereby imposed on all earned income and net profits, as defined herein, earned by residents of the Borough of Hatboro and earned by all nonresidents of the Borough of Hatboro for work done or services performed or rendered in the Borough of Hatboro, subject, however, to the limitations of the rate of tax as are provided for in §8 of said Act, 53 P.S. §6908. This tax shall become effective January 1, 1993, and shall remain in effect thereafter on a calendar year basis without annual re-enactment unless the rate of tax is subsequently changed. Any taxpayer, as defined herein, whose total income from all sources is less than \$4,000 per annum shall be exempt from the tax imposed pursuant to this Part, or any portion thereof; provided, however, that such exemption shall not be deemed to exempt such taxpayer from compliance with all other provisions of this Part.

(*Ord. 851, 11/26/1990, §602; as amended by Ord. 865, 7/27/1992, §602*)

§24-103. Declaration and Payment of Tax.

1. Net Profits.

A. Every taxpayer making net profits shall on or before April 15 of each year, make and file with the officer on a form prescribed by the officer, a declaration of his estimated net profits during this period beginning January 1 and ending December 31 of the current year and pay to the officer in four equal quarterly installments the tax due thereon as follows. The first installment at the time of filing the declaration and the other installments on or before June 15 of the current year, September 15 of the current year, and January 15 of the succeeding year

B. On or before April 15 of the succeeding year, every taxpayer shall make

and file a final return on a form prescribed by the officer showing the amount of net profits earned, the total amount of tax due and the total amount of tax paid thereon. At the time of filing the final return, the taxpayer shall pay to the officer the balance of the tax due, or shall make a demand for refund or credit in the case of an overpayment. An incomplete or improperly completed tax return shall be substantiated and supported by such United States Federal Income Tax Return forms as required by the officer, which shall at least include a copy of the Federal W-2 form in the case of an earned income taxable and Schedule "C" of the Federal return as to a net profits taxable.

2. *Earned Income.* Every taxpayer shall, on or before April 15 of the succeeding year, make and file with the officer a final return showing the amount of earned income received during the period beginning January 1 of the current year, and ending December 31 of the current year, the total amount of tax due thereon, the amount of tax paid thereon, the amount of tax thereon that has been withheld pursuant to the provisions relating to the collection at source, and the balance of tax due. At the time of filing the final return, the taxpayer shall pay balance of the tax due or shall make demand for refund of credit in the case of overpayment. An incomplete or improperly completed tax return shall be considered as not having been filed. Each final return shall be substantiated and supported by such United States Federal Income Tax return forms as required by the officer, which shall at least include a copy of the Federal W-2 form in the case of an earned income taxable, and Schedule "C" of the Federal return as to net profits taxable.

3. *Earned Income Not Subject to Withholding.* Every taxpayer who is employed for a salary, wage, commission, or other compensation and who received any earned income not subject to the provisions relating to collection at source, shall make and file with the officer on a form prescribed or approved by the officer, a quarterly return on or before April 30 of the current year, July 31 of the current year, October 31 of the current year and January 31 of the succeeding year, setting forth the aggregate amount of earned income not subject to withholding by him during the 3-month periods ending March 31 of the current year, June 30 of the current year, September 30 of the current year, and December 31 of the current year, respectively, and subject to tax, together with such other information as the officer may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the officer the amount of tax shown as due thereon.

(Ord. 851, 11/26/1990, §603)

§24-104. Collection at Source.

1. Every employer having an office, factory, workshop, branch, warehouse, or other place of business within the Borough of Hatboro who employs one or more persons, other than domestic servants, for a salary, wage, commission, or other compensation, shall deduct at the time of payment thereof, the tax imposed by this Part on the earned income due to his employee or employees and shall, on or before April 30 of the current year, July 31 of the current year, October 31 of the current year and January 31 of the succeeding year, file a return and pay to the officer the amount of taxes deducted during the preceding 3-month periods ending March 31 of the current year, June 30 of the current year, September 30 of the current year and December 31 of the current year, respectively. Such returns, unless otherwise agreed upon between

the officer and employer, shall show the name and Social Security number of each such employee, the earned income of such employee during such proceeding 3-month period, the tax deducted therefrom, the political subdivision imposing the tax upon such employee, the political subdivision in which such employee resides, the total earned income of all such employees during such proceeding 3-month period, and the total tax deducted therefrom and paid with the return. [*Ord. 907*]

2. Any employer, who for two of the proceeding four quarterly periods, has failed to deduct the proper tax, or any part thereof, or has failed to pay over the proper amount of tax to the taxing authority, may be required by the officer to file his return and pay the tax monthly. In such cases, payments of tax shall be made to the officer on or before the last day of the month succeeding the month for which the tax was withheld.

3. On or before February 28 of the succeeding year, every employer shall file with the officer:

A. An annual return showing the total amount of earned income paid, the total amount of tax deducted, and the total amount of tax paid to the officer for the period, beginning January 1 of the current year, and ending December 31 of the current year setting forth the employee's name, address, Social Security number, the amount of earned income paid to the employee during said period, the amount of tax deducted, the political subdivision imposing the tax upon such employee and the amount of tax paid to the officer. Every employer shall furnish two copies of the individual return to the employee for whom it is filed.

4. Every employer who discontinues business prior to December 31 of the current year, shall, within 30 days after the discontinuance of business, file the returns and withholding statements herein above required and pay the tax due.

5. Except as otherwise provided, every employer who willfully or negligently fails to make the deductions required by this Section, shall be liable for payment of the taxes which he was required to withhold to the extent that such taxes have not been recovered from the employee.

6. The failure or omission of any employer to make the deductions required by this Section shall not relieve any employee from the payment of the tax or from complying with the requirements of this Part relating to the filing of declarations and returns.

(*Ord. 851*, 11/26/1990, §604; as amended by *Ord. 907*, 9/23/1996, §24-104)

§24-105. Powers and Duties of Officer.

1. It shall be the duty of the officer to collect and receive the taxes, fines, and penalties imposed by this Part. It shall also be his duty to keep a record showing the amount received by him from each person or business paying the tax, and the date of such receipt.

2. Each officer, before entering upon his official duties, shall give and acknowledge a bond to the Borough of Hatboro in such amount and of such form and substance as is now or hereafter provided by law.

3. The officer charged with the administration and enforcement of the provisions of this Part is hereby empowered to prescribe, adopt, promulgate, and enforce rules and

regulations relating to any matter pertaining to the administration and enforcement of this Part, including provisions for the reexamination and correction of declarations and returns and of payments alleged or found to be incorrect, or as to which an overpayment is claimed or found to have occurred, and to make refunds in case of overpayment for any period of time not to exceed 6 years subsequent to the date of payment of the sum involved, and to prescribe forms necessary for the administration of this Part. No rule or regulation of any kind shall be enforceable unless it has been approved by Borough Council of the Borough of Hatboro. A copy of such rules and regulations currently in force shall be available for public inspection.

4. The officer shall refund, on petition of and proof by the taxpayer, earned income tax paid on the taxpayer's ordinary and necessary business expenses, to the extent that such expenses are not paid by the taxpayer's employer.

5. The officer and agents designated by him are hereby authorized to examine the books, papers, and records of any employer or of any taxpayer or of any person whom the officer reasonably believes to be an employer or taxpayer, in order to verify the accuracy of any declaration or return, or if no declaration or return was filed, to ascertain the tax due. Every employer and every taxpayer and every person whom the officer reasonably believes to be an employer or taxpayer is hereby directed and required to give to the officer, or to any agent designated by him, the means, facilities, and opportunity for such examination and investigations, as are hereby authorized.

6. Any information gained by the officer, his agents, or by any other official or agent of the taxing district, as a result of any declarations, returns, investigations, hearings, or verifications required or authorized by this Part shall be confidential, except for official purposes and except in accordance with proper judicial order, or as otherwise provided by law.

7. The officer is authorized to establish different filing, reporting, and payment dates for taxpayers whose fiscal years do not coincide with the calendar year.

8. The officer shall, at least quarterly, distribute earned income taxes to the appropriate political subdivisions. The political subdivisions shall not be required to request the officer to distribute the funds collected but shall at least annually reconcile their receipts with the records of the officer and return to or credit the officer with any overpayment. If the officer, within 1 year after receiving a tax payment, cannot identify the taxing jurisdiction entitled to a tax payment, he shall make payment to the Borough in which the tax was collected. Within 120 days of the passage of this Part, any present accumulated funds that are unclaimed shall be distributed on the same basis.

(Ord. 851, 11/26/1990, §605)

§24-106. Suit for Collection of Tax.

The officer may sue in the name of the Borough of Hatboro for recovery of taxes due and unpaid under this Part as is now or may hereafter be provided by law; provided, however, that nothing contained in this Section shall be construed to limit the Borough of Hatboro from recovering delinquent taxes by any other means provided by law.

(Ord. 851, 11/26/1990, §606)

§24-107. Interest and Penalties.

1. If for any reason the tax is not paid when due, interest at the rate of 6 percent

per annum on the amount of said tax and an additional penalty of .5 percent of the amount of unpaid tax for each month or fraction thereof during which the tax remains unpaid, shall be added and collected. Where suit is brought for the recovery of any such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed.

2. Notwithstanding the provisions of subsection .1, the Borough Council may, by ordinance or resolution, establish a one time period during which interest or interest and penalties that would otherwise be imposed for nonreporting or underreporting of earned income tax liabilities or for the nonpayment of earned income taxes previously imposed and due shall be waived in total or in part if the taxpayer voluntarily files delinquent returns and pays the taxes in full during the period so established. Each governing body may adopt regulations to implement the provisions of this subsection.

3. The provisions of subsection .2, above, shall not affect or terminate any petitions, investigations, prosecutions, or other proceedings pending under the provisions of this Part, or prevent the commencement or further prosecution of any proceedings by the proper authorities for violations of this Part. No proceedings shall, however, be commenced on the basis of delinquent returns filed pursuant to subsection .2 if the returns are determined to be substantially true and correct and the taxes are paid in full within the prescribed time.

(*Ord. 851, 11/26/1990, §607*)

§24-108. Fines and Penalties for Violation of Ordinances.

1. Any person who fails, neglects, or refuses to make any declaration or return required by this Part, any employer who fails, neglects, or refuses to deduct or withhold the tax from his employees, any person who refuses to permit the officer or any agent designated by him to examine his books, records, and papers, any person who knowingly makes any incomplete, false, or fraudulent return, or attempts to do anything whatsoever to avoid full disclosure of the amount of his net profits of earned income in order to avoid the payment of his net profits or earned income in order to avoid the payment of the whole or any part of the tax imposed by this Part shall, upon conviction, be sentenced to pay a fine of not more than \$500 plus costs and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days. Each day that a violation of this Part continues shall constitute a separate offense. [*Ord. 1005*]

2. Any person who divulges any information which is confidential under the provisions of this Part shall, upon conviction, be sentenced to pay a fine of not more than \$500 for each offense plus costs of prosecution and, in default of payment of such fine and costs as may be imposed, to be imprisoned for a period not exceed 30 days.

3. The penalties imposed under this Section shall be in addition to any other penalty imposed by any other section of this Part.

4. The failure of any person the receive or procure forms required for making the declaration or return required by this Part shall not excuse him from making such declaration or return.

(*Ord. 851, 11/26/1990, §608; as amended by Ord. 907, 9/23/1996, §24-108; and by Ord. 1005, 5/23/2011*)

Part 2**Realty Transfer Tax****§24-201. Short Title.**

This Part shall be known as the “Realty Transfer Tax Ordinance of the Borough of Hatboro.”

(*Ord. 801, 11/28/1988, §1*)

§24-202. Authority.

A realty transfer tax for general revenue purposes is hereby imposed upon the transfer of real estate or interest in real estate situated within the Borough of Hatboro, regardless of where the documents making the transfer are made, executed or delivered, or where the actual settlements on such transfer took place, as authorized by Article XI-D, “Local Real Estate Transfer Tax,” 72 P.S. §8101 *et seq.*

(*Ord. 801, 11/28/1988, §2*)

§24-203. Definitions.

Association—a partnership, limited partnership, or any other form of unincorporated enterprise owned or conducted by two or more persons other than a private trust or decedent’s estate.

Borough—the Borough of Hatboro.

Corporation—a corporation, joint-stock association, business trust, or banking institution which is organized under the laws of this Commonwealth, the United States or any other State, territory, foreign country, or dependency.

Document—any deed, instrument, or writing which conveys, transfer, demises, vests, confirms, or evidences any transfer of demise of title of real estate, but does not include wills, mortgages, deeds of trust, or other instruments of like character given as security for a debt and deeds of release thereof to the debtor, land contracts where the legal title does not pass to the grantee until the total consideration specified in the contract has been paid or any cancellation thereof unless the consideration is payable over a period of time exceeding 30 years, or instruments which solely grant, vest or confirm a public utility easement. “Document” shall also include a declaration of acquisition required to be presented for recording under §24-202.

Family farm corporation—a corporation of which at least 75 percent of each class of stock of the corporation is continuously owned by members of the same family. The business of agriculture shall not be deemed to include:

- A. Recreational activities such as, but not limited to, hunting, fishing, camping, skiing, show completion, or racing.
- B. The raising, breeding, or training of game animals or game birds, fish, cats, dogs, or pets or animals intended for use in sporting or recreational activities.
- C. Fur farming.
- D. Stockyard and slaughterhouse operations.

E. Manufacturing or processing operations of any kind.

Members of the same family—any individual, such individual’s brothers and sisters, the brothers and sisters of such individual’s parents and grandparents, the ancestors and lineal descendants of any of the foregoing, a spouse of any of the foregoing, and the estate of any of the foregoing. Individuals related by the half-blood or legal adoption shall be treated as if they were related by the whole-blood.

Person—every natural person, association, or corporation. Whenever used in and by a clause prescribing and imposing a fine or imprisonment, or both, the term “person,” as applied to associations, shall include the responsible members or general partners thereof, and as applied to corporations, the officers thereof.

Real estate—

A. All lands, tenements, or hereditaments within the Borough of Hatboro, including without limitation, buildings, structures, fixtures, mines, minerals, oil, gas quarries, spaces with or without upper or lower boundaries, trees and other improvements, immovables or interests which by custom, usage or law, pass with a conveyance of land, but excluding permanently attached machinery and equipment in an industrial plant.

B. A condominium unit.

C. A tenant-stockholder’s interest in a cooperative housing corporation, trust or association under a proprietary lease or occupancy agreement.

Real estate company—a corporation or association which is primarily engaged in the business of holding, selling or leasing real estate, 90 percent or more of the ownership interest in which is held by 35 or fewer persons and which:

A. Derives 60 percent or more of its annual gross receipts from the ownership or disposition of real estate.

B. Holds real estate, the value of which comprises 90 percent or more of the value of its entire tangible asset holdings exclusive of tangible assets which are freely transferable and actively traded on an established market.

Title to real estate—

A. An interest in real estate which endures for a period of time, the termination of which is not fixed or ascertained by a specific number of years including, without limitation, an estate in fee simple, life estate or perpetual leasehold.

B. An interest in real estate enduring for a fixed period of years but which, either by reason of the length of the term or the grant of a right to extend the term by renewal or otherwise, consists of a group of rights approximating those of including, without limitation, a leasehold interest or possessory interest in real estate in which the lessee has equity.

Transaction—the making, executing, delivering, accepting, or presenting for recording of a document.

Value—

A. In the case of any bona fide sale of real estate at arm’s length for actual monetary worth, the amount of the actual consideration therefor, paid or to be paid, including liens or other encumbrances thereon existing before the transfer and not

removed thereby, whether or not the underlying indebtedness is assumed and ground rents, or a commensurate part thereof, where such liens or other encumbrances and ground rents also encumber or are charged against real estate; provided, that where such documents shall set forth a nominal consideration, the "value" thereof shall be determined from the price set forth in or actual consideration for the contract of sale.

B. In the case of a gift, sale by execution upon a judgment or upon the foreclosure of a mortgage by a judicial officer, transactions without consideration or for consideration less than the actual monetary worth of the real estate, a taxable lease, an occupancy agreement, a leasehold, or possessory interest, any exchange of properties, or the real estate of an acquired company, the actual monetary worth of the real estate determined by adjusting the assessed value of the real estate for local real estate tax purposes for the common level ratio factor for Pennsylvania realty transfer tax base calculations.

C. In the case of an easement or other interest in real estate, the value of which is not determinable under paragraph .A and .B, the actual monetary worth of such interest.

D. The actual consideration for or actual monetary worth of any executory agreement for the construction of buildings, structures, or other permanent improvements to real estate between the grantor and other persons existing before the transfer and not removed thereby or between the grantor, the agent, or principal of the grantor of a related corporation, association, or partnership and the grantee existing before or effective with the transfer.

(Ord. 801, 11/28/1988, §3)

§24-204. Imposition of Tax; Interest.

1. Every person who makes, executes, delivers, accepts, or presents for recording any document or in whose behalf any document is made, executed, delivered, accepted, or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a tax at the rate of 1 percent of the value of the real estate represented by the document as presented for recording or within 30 days of acceptance of such document or within 30 days of becoming an acquired company.

2. The payment of the tax imposed herein shall be evidenced by the affixing of an official stamp or writing by the recorder of deeds whereon the date of the payment of the tax, amount of tax and the signature of the collecting agent shall be set forth.

3. It is the intent of this Part that the entire burden of the tax imposed herein on a person or transfer shall not exceed the limitations prescribed in the Local Tax Enabling Act, Act of December 31, 1965, P.L. 1257, 53 P.S. §6901 *et seq.*, so that if any other political subdivision shall impose or hereafter shall impose such tax on the same person or transfer then the tax levied by the Borough Council under the authority of the Act shall, during the time such duplication of the tax exists, except as hereinafter otherwise provided, be one-half of the rate and such one-half shall become effective without any action on the part of the Borough Council; provided, however, that the Borough of Hatboro and any other political subdivision which impose such tax on the same person or transfer may agree that, instead of limiting their respective rates to one-half of the rate herein provided, they will impose respectively different rates, the

total of which shall not exceed the maximum rate permitted under the Local Tax Enabling Act.

4. If for any reason the tax is not paid when due, interest at the rate in effect at the time the tax is due shall be added and collected.

(*Ord. 801, 11/28/1988, §4*)

§24-205. Exempt Parties.

The United States, the Commonwealth, or any of their instrumentalities, agencies, or political subdivisions shall be exempt from payment of the tax imposed by this Part. The exemption of such governmental bodies shall not, however, relieve any other party to a transaction from liability for the tax.

(*Ord. 801, 11/28/1988, §5; as amended by Ord. 907, 9/23/1996, §24-205*)

§24-206. Excluded Transactions.

1. The tax imposed by §24-204 shall not be imposed upon:

A. A transfer to the Commonwealth or to any of its instrumentalities, agencies or political subdivisions, by gift, dedication, or deed in lieu of condemnation or deed or confirmation in connection with condemnation proceedings, or a reconveyance by the condemning body of the property condemned to the owner of record at the time of condemnation, which reconveyance may include property line adjustments provided said reconveyance is made within 1 year from the date of condemnation.

B. A document which the Borough of Hatboro is prohibited from taxing under the Constitution or statutes of the United States.

C. A conveyance to a municipality, township, school district, or county pursuant to acquisition by the municipality, township, school district, or county of a tax delinquent property at sheriff sale or tax claim bureau sale.

D. A transfer for no or nominal actual consideration which corrects or confirms a transfer previously recorded, but which does not extend or limit existing record legal title or interest.

E. A transfer or division in kind for no or nominal actual consideration of property passed by testate or intestate succession and held by cotenants; however, if any of the parties take shares greater in value than their undivided interest, tax is due on the excess.

F. A transfer between husband and wife, between persons who were previously husband and wife who have since been divorced, provided the property or interest therein subject to such transfer was acquired by the husband and wife or husband or wife prior to the granting of the final decree in divorce, between parent and child or the spouse of such child, between brother or sister or spouse of a brother or sister, and between a grandparent and grandchild or the spouse of such grandchild, except that a subsequent transfer by the grantee within 1 year shall be subject to tax as if the grantor were making such transfer.

G. A transfer for no or nominal actual consideration of property passing by testate or intestate succession from a personal representative of a decedent to the decedent's devisee or heir.

H. A transfer for no or nominal actual consideration to a trustee of an ordinary trust, where the transfer of the same property would be exempt if the transfer was made directly from the grantor to all the possible beneficiaries, whether or not such beneficiaries are contingent or specifically named. No such exemption shall be granted unless the recorder of deeds is presented with a copy of the trust instrument that clearly identifies the grantor and all possible beneficiaries.

I. A transfer for no or nominal actual consideration from a trustee to a beneficiary of an ordinary trust.

J. A transfer for no or nominal actual consideration from trustee to successor trustee.

K. A transfer for no or nominal actual consideration between principal and agent or straw party; or (ii) from or to an agent or straw party where, if the agent or straw party were his principal, no tax would be imposed under this Part. Where the document by which title is acquired by a grantee or statement of value fails to set forth that the property was acquired by the grantee from, or for the benefit of, his principal, there is a rebuttable presumption that the property is the property of the grantee in his individual capacity if the grantee claims an exemption from taxation under this subsection.

L. A transfer made pursuant to the statutory merger or consolidation of a corporation or statutory division of a nonprofit corporation, except where the Department reasonably determines that the primary intent for such merger, consolidation or division is avoidance of the tax imposed by this Part.

M. A transfer from a corporation or association of real estate held of record in the name of the corporation or association where the grantee owns stock of the corporation or an interest in or ownership of the real estate being conveyed and where the stock of the corporation or the interest in the association has been held by the grantee for more than 2 years.

N. A transfer from a nonprofit industrial development agency or authority to a grantee of a property conveyed by the grantee to that agency or authority as security for a debt of the grantee or a transfer to a nonprofit industrial development agency or authority.

O. A transfer from a nonprofit industrial development agency or authority to a grantee purchasing directly from it, but only if: (1) the grantee shall directly use such real estate for the primary purpose of manufacturing, fabricating, compounding, processing, publishing, research and development, transportation, energy conversion, energy production, pollution control, warehousing or agriculture, and (2) the agency or authority has the full ownership interest in the real estate transferred.

P. A transfer by a mortgagor to the holder of a bona fide mortgage in default in lieu of a foreclosure or a transfer pursuant to a judicial sale in which the successful bidder in the bona fide holder of a mortgage, unless the holder assigns the bid to another person.

Q. Any transfer between religious organizations or other bodies or persons holding title for a religious organization if such real estate is not being or has not

been used by such transferor for commercial purposes.

R. A transfer to a conservancy which possesses a tax exempt status pursuant to §501(c)(3) and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural, or open space opportunities.

S. A transfer of real estate devoted to the business of agriculture to a family farm corporation by a member of the same family which directly owns at least 75 percent of each class of the stock thereof.

T. A transfer between members of the same family of an ownership interest in a real estate company for family farm corporation.

U. A transaction where the tax is \$1 or less.

V. Leases for the production of extraction of coal, oil, natural gas or minerals, and assignments thereof.

2. In order to exercise any exclusion provided in this Section, the true, full and complete value of the transfer shall be shown on the statement of value. A copy of the Pennsylvania realty transfer tax statement of value may be submitted for this purpose. For leases of coal, oil, natural gas, or minerals, the statement of value may be limited to an explanation of the reason such document is not subject to tax under this Part.

(Ord. 801, 11/28/1988, §6)

§24-207. Documents Relating to Associations or Corporations and Members, Partners, Stockholders, or Shareholders Thereof.

Except as otherwise provided in §24-206, documents which make, confirm, or evidence any transfer or demise of title to real estate between associations or corporations and the members, partners, shareholders, or stockholders thereof are fully taxable. For the purposes of this Section, corporations and associations are entities separate from their members, partners, stockholders, and shareholders.

(Ord. 801, 11/28/1988, §7)

§24-208. Acquired Company.

1. A real estate company is an acquired company upon a change in the ownership interest in the company, however effected, if the change does not affect the continuity of the company; and of itself or together with prior changes has the effect of transferring, directly or indirectly, 90 percent or more of the total ownership interest in the company within a period of 3 years.

2. With respect to real estate acquired after February 16, 1986, a family farm corporation is an acquired company when, because of voluntary or involuntary dissolution, it ceases to be a family farm corporation or when, because of issuance of transfer of stock or because of acquisition or transfer of assets that are devoted to the business of agriculture, it fails to meet the minimum requirements of a family farm corporation under this Part.

3. Within 30 days after becoming an acquired company, the company shall present a declaration of acquisition with the recorder of each county in which it holds real estate for the affixation of documentary stamps and recording. Such declaration shall set forth the value of real estate holdings of the acquired company in such county. A copy of the Pennsylvania realty transfer tax declaration of acquisition may be

submitted for this purpose.

(*Ord. 801, 11/28/1988, §8*)

§24-209. Credits Against Tax.

1. Where there is a transfer of a residential property by a licensed real estate broker, which property was transferred to him within the preceding year as consideration for the purchase of other residential property, a credit for the amount of the tax paid at the time of the transfer to him shall be given to him toward the amount of the tax due upon the transfer.

2. Where there is a transfer by a builder of residential property which was transferred to the builder within the preceding year as a consideration for the purchase of new, previously unoccupied residential property, a credit for the amount of the tax paid at the time of the transfer to the builder shall be given to the builder toward the amount of the tax due upon the transfer.

3. Where there is a transfer of real estate which is leased by the grantor, a credit for the amount of tax paid at the time of the lease shall be given the grantor toward the tax due upon the transfer.

4. Where there is a conveyance by deed of real estate which was previously sold under a land contract by the grantor, a credit for the amount of the tax paid at the time of the sale shall be given the grantor toward the tax due upon the deed.

5. If the tax due upon the transfer is greater than the credit given under this Section, the difference shall be paid. If the credit allowed is greater than the amount of tax due, no refund or carryover credit shall be allowed.

(*Ord. 801, 11/28/1988, §9*)

§24-210. Extension of Lease.

In determining the term of a lease, it shall be presumed that a right or option to renew or extend a lease will be exercised if the rental charge to the lessee is fixed or if a method for calculating the rental charge is established.

(*Ord. 801, 11/28/1988, §10*)

§24-211. Proceeds of Judicial Sale.

The tax herein imposed shall be fully paid, and have priority out of the proceeds of any judicial sale of real estate before any other obligation, claim, lien, judgment, estate, or costs for the sale of the writ upon which the sale is made except the State realty transfer tax, and the Sheriff or other officer conducting said sale shall pay the tax herein imposed out of the first moneys paid to him in connection therewith. If the proceeds of the sale are insufficient to pay the entire tax herein imposed, the purchaser shall be liable for the remaining tax.

(*Ord. 801, 11/28/1988, §11*)

§24-212. Duties of Recorder of Deeds.

1. As provided in 16 P.S. §11011-6, as amended by Act of July 7, 1983, (P.L. 40, No. 21), the Recorder of Deeds shall be the collection agent for the local realty transfer tax, including any amount payable to the Borough of Hatboro based on re-determina-

tion of the amount of tax due by the Commonwealth of Pennsylvania of the Pennsylvania realty transfer tax, without compensation from the Borough of Hatboro.

2. In order to ascertain the amount of the taxes due when the property is located in more than one political subdivision, the recorder shall not accept for recording such a deed unless it is accompanied by a statement of value showing what taxes or due each municipality.

3. On or before the 10th of each month, the recorder shall pay over to the Borough of Hatboro all local realty transfer taxes collected, less 2 percent for use of the County, together with a report containing information as is required by the Commonwealth of Pennsylvania in reporting collections of the Pennsylvania realty transfer tax. The 2 percent commission shall be paid to the County.

4. Upon a redetermination of the amount of realty transfer tax due by the Commonwealth of Pennsylvania, the recorder shall re-record the deed or record the additional realty transfer tax form only when both the State and local amounts and re-recording fee has been tendered.

(*Ord. 801, 11/28/1988, §12*)

§24-213. Statement of Value.

Every document lodged with or presented to the recorder of deeds for recording shall set forth therein and as a part of such document the true, full, and complete value thereof, or shall be accompanied by a statement of value executed by responsible person connected with the transaction showing such connection and setting forth the true, full, and complete value thereof or the reason, if any, why such document is not to subject to the tax under this Part. A copy of the Pennsylvania realty transfer tax statement of value may be submitted for this purpose. The provisions of this Section shall not apply to any excludable real estate transfers which are exempt from taxation based on family relationship. Other documents presented for the affixation of stamps shall be accompanied by a responsible person connected with the transaction showing such connection and setting forth the true, full, and complete value thereof or the reason, if any, why such document is not subject to tax under this Part.

(*Ord. 801, 11/28/1988, §13*)

§24-214. Fines and Penalties for Violations.

1. If any part of any underpayment of taxes imposed by this Part is due to fraud, there shall be added to the tax an amount equal to 50 percent of the underpayment.

2. In the case of failure to record a declaration required under this Part on the date prescribed therefor, unless it is shown that such failure is due to reasonable cause, there shall be added to the tax 5 percent of the amount of such tax if the failure is for not more than 1 month, with an additional 5 percent for each additional month or fraction thereof during which such failure continues, not exceeding 50 percent for each additional month or fraction thereof during which such failure continues, not exceeding 50 percent in the aggregate.

3. Any person, firm, or corporation who fails, neglects, or refuses to make an accurate declaration and pay the required fee as required by this Part shall, upon conviction thereof, shall be sentenced to pay a fine of not more than \$600 plus costs and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30

days. Each day that a violation of this Part continues shall constitute a separate offense. [*Ord. 907*]

4. The penalties imposed under this Section shall be in addition to any other penalty imposed by any other section of this Part.

5. The failure of any person to receive or procure forms required for the declaration or returns required by this Part or resolution shall not excuse that person from making such declaration or return.

6. The tax imposed under §24-204, of this Chapter, and all applicable interest and penalties shall be administered, collected, and enforced under the Act of December 31, 1965 (P.L. 1257, No. 511, as amended, known as "The Local Tax Enabling Act"; provided, that if the correct amount of the tax is not paid by the last date prescribed for timely payment Hatboro Borough, pursuant to §1102-D of the Tax Reform Code of 1971 (72 P.S. §8102-D), authorities and directs the Department of Revenue of the Commonwealth of Pennsylvania to determine, collect, and enforce the tax and penalties. [*Ord. 974*]

7. Any tax imposed under §24-204, of this Chapter, that is not paid by the date the tax is due shall bear interest as prescribed for interest on delinquent municipal claims under the Act of May 16, 1923 (P.L. 207, No. 153) (53 P.S. §7101 *et seq.*) as amended, known as the "The Municipal Claims and Tax Liens Act." The interest rate shall be the lesser of the interest rate imposed upon delinquent Commonwealth taxes as provided in §806 of the Act of April 9, 1929 (P.L. 343, No. 176) (72 P.S. §806), as amended, known as "The Fiscal Code," or the maximum interest rate permitted under the Municipal Claims and Tax Liens Act for tax claims. [*Ord. 974*]

(*Ord. 801*, 11/28/1988, §14; as amended by *Ord. 907*, 9/23/1996, §24-214; and by *Ord. 974*, 1/22/2007)

§24-215. Lien.

The tax imposed by this Part shall become a lien upon the lands, tenements, or hereditaments, or any interest herein, lying, being situated, wholly or in part within the boundaries of the Borough of Hatboro, which lands, tenements, hereditaments, or interests therein are described in or conveyed by or transferred by the deed which is the subject of the tax imposed, assessed, and levied by this Part, said lien to begin at the time when the tax under this Part is due and payable, and continue until discharged by payment, or in accordance with the law, and the Solicitor is authorized to file a municipal or tax claim in the Court of Common Pleas of Montgomery County, in accordance with the provisions of the Municipal Claims and Liens Act of 1923, 53 P.S. §7101 *et seq.*, its supplements and amendments.

(*Ord. 801*, 11/28/1988, §15)

§24-216. Enforcement.

All taxes imposed by this Part, together with interest and penalties prescribed herein, shall be recoverable as other debts of like character are recovered.

(*Ord. 801*, 11/28/1988, §16)

§24-217. Regulations.

The Recorder of Deeds of Montgomery County is charged with enforcement and collection of tax and is empowered to promulgate and enforce reasonable regulations for enforcement and collection of the tax. The regulations which have been promulgated by the Pennsylvania Department of Revenue under 72 P.S. §8101-C *et seq.*, are incorporated into and made a part of this Part.

(*Ord. 801, 11/28/1988, §17*)

Part 3**Per Capita Tax****§24-301. Imposition of Tax.**

Effective with the fiscal year beginning January 1, 1986, there is hereby imposed upon each resident or inhabitant of the Borough of Hatboro, 18 years of age or over (taxpayer), an annual tax of \$10.

(*Ord. 768, 11/25/1985, §110-1*)

§24-302. List of Taxpayers.

The Borough Tax Collector (Collector) shall compile and maintain a current list of taxpayers, and the tax shall be collected from individuals whose names appear thereon.

(*Ord. 768, 11/25/1985, §110-2*)

§24-303. Collection of Tax.

The Collector shall collect the tax imposed by this Chapter and in so doing he shall have all the powers and duties which are given and imposed for the collection of such taxes.

(*Ord. 768, 11/25/1985, §110-3*)

§24-304. Payment of Tax.

The Collector shall allow a discount of 2 percent to each taxpayer who pays the tax within 60 days from the date the Collector forwards a tax bill or notice, and he shall impose and collect a penalty of 10 percent of the tax upon a taxpayer who fails to pay the tax within 4 months from the mailing of the bill or notice.

(*Ord. 768, 11/25/1985, §110-4*)

§24-305. Exoneration of Tax for Senior Citizens.

1. Upon application to the Tax Collector or his delegate in such form as may be set by resolution, exoneration from the tax imposed shall hereby be granted to the following:

A. Senior citizens over the age of 65 years of age whose gross income from all sources does not exceed \$3,200. Individuals serving in the armed forces of the United States of America.

C. Survivors of estates or deceased persons.

D. Deceased persons.

2. Exonerations must be applied on an individual basis and will be based upon a yearly basis.

3. Exoneration will be granted upon the presentation of proof of exoneration eligibility.

4. Income limiting exoneration will be recognized by display of previous year's Federal income tax return.

(*Ord. 768, 11/25/1985, §110-5*)

§24-306. Disposition of Tax Proceeds.

The proceeds of the tax imposed by this Chapter shall be paid into the general fund of the Borough and used for general Borough purposes.

(*Ord. 768, 11/25/1985, §110-6*)

§24-307. Legislative Authority.

The tax imposed by this Chapter is adopted under the provisions of the Local Tax Enabling Act, 53 P.S. §6924.101 *et seq.*

(*Ord. 768, 11/25/1985, §110-7*)

Part 4**Local Services Tax****§24-401. Definitions.**

The following words and phrases when used in this Part shall have the meanings ascribed to them in this Section, except where the context or language clearly indicates or requires a different meaning:

Administrator—the Manager of the Borough of Hatboro under whose direction this tax shall be enforced.

Borough—the Borough of Hatboro, Montgomery County, Pennsylvania.

Employer—an individual, partnership, association, corporation, governmental body, agency, or other entity employing one or more persons on a salary, commission, or other compensation basis, including a self-employed person.

He, his, or him—indicates the singular and plural number as well as male, female, and neuter gender.

Individual—any person, male or female, who attains or is over the age of 18 years after the effective date of this Part, engaged in any occupation, trade, or profession of any nature, type, or kind whatsoever, within the corporate limits of the Borough of Hatboro whether in the employ of another or self-employed during any Borough year.

Occupation—any trade, profession, business, or undertaking of any type, kind, or character, including services, domestic or other, carried on or performed within the corporate limits of the Borough of Hatboro for which compensation is charged or received, whether by means of salary, wages, commissions, or fees for services rendered.

Tax—the occupation privilege tax levied by this Part.

Tax receiver—the Manager of the Borough of Hatboro.

Year—the fiscal year beginning January 1 and ending December 31 of each calendar year.

(Ord. 726, 12/27/1982, §1)

§24-402. Levy.

For general revenue purposes, a tax is hereby levied upon the privilege of engaging in an occupation within the corporate limits of the Borough during the year 1983, and during each year thereafter. Each individual who exercises such privilege for any length of time during any year shall pay a tax in the amount of \$10 in accordance with the provisions of this Part. This tax is in addition to all other taxes of any kind or nature levied by the Borough. It shall be the obligation of each such person so engaged in an occupation to pay or cause to be paid the tax herein imposed. The adoption of this Part shall constitute notice and demand for payment of this tax.

(Ord. 726, 12/27/1982, §2)

§24-403. Collection of Tax.

1. *Payment.* Said tax shall be paid to the tax receiver.
2. *Delinquency.* A penalty of 0.5 percent per month, or fraction thereof, of the amount of the tax, together with interest computed at 6 percent per annum until paid, shall be added to the tax and collected.
3. *Duties of Employer.* Each employer within the Borough as well as those employers situated outside the Borough, but who engage in business within the Borough, is hereby charged with the duty of collecting from each of his employees engaged by him and performing for him within the Borough, the said tax of \$10 per annum and making a return and payment thereof to the tax receiver. Further, each employer is hereby authorized to deduct this tax from each employee in his employ, whether said employee is paid by salary, wages, or commission, and whether or not part or all such services are performed within the Borough.
4. *Returns.* Each employer shall prepare and file a return showing a computation of the tax on forms to be supplied to him by the Administrator. It is further provided that if the employer fails to file said return and pay said tax, whether or not he makes collection thereof from the salary, wages, or commissions paid by him to said employee, the employer shall be responsible for the payment of the tax in full without deducting a commission and as though the tax had originally been levied against him.
5. *Dates for Determining Tax Liability and Payment.* Each employer shall use his employment records as of the first day of February, 1983, and January 1 of each succeeding year to April 30 of each year, for determining the number of employees from whom said tax shall be deducted and paid over the tax receiver on or before May 15 of each year. Supplemental reports and the tax due thereon shall be made by each employer on September 15 of each year covering all employees as reflected on employment records from May 1 to August 31 of each year; on January 31 of each year, a supplemental report and payment of the tax due thereon shall be made covering all employees as reflected on employment records from September 1 to December 31 of each year.
6. *Individuals Engaged in More than One Occupation.* Each individual who shall have more than one occupation within the Borough shall be subject to the payment of this tax on his principal occupation, and his principal employer shall deduct this tax and deliver to him evidence of deduction on a form to be furnished to the employer by the administrator, which form shall be evidence of deduction having been made, and when presented to any other employer shall be authority for such employer to not deduct this tax from the employee's wages, but to include such employee on his return by setting forth his name, address, and the name and account number of the employer who deducted this tax.
7. *Refund to Certain Individuals.* If an individual engaging in one or more of the occupations taxable under this Part derives less than \$1,000 gross income from such occupation or occupations during the fiscal year, the Administrator shall refund to him; if the tax was paid by him or deducted from his salary, wages, or commissions, or shall refund to his employer, if the tax was not so deducted but paid by the employer, the amount of tax paid to the tax receiver upon presentation to the Administrator by April of the fiscal year immediately after the tax was due and payable, proof of income and proof of payment of the tax.

8. *Self-Employed Individuals.* All self-employed individuals who perform services of any type or kind, engage in any occupation or profession within the Borough, shall be required to comply with this Part and pay the tax to the tax receiver on May 15 of each year, or as soon thereafter as he engages in an occupation.

9. *Employers and Self-Employed Individuals Residing Beyond the Corporate Limits of the Borough.* All employers and self-employed individuals residing or having their place of business outside of the Borough, but who perform services of any type or kind, or engage in any occupation or profession within the Borough, do by virtue thereof agree to be bound by and subject themselves to the provisions, penalties, and regulations promulgated under this Part with the same force and effect as though they were residents of the Borough. Further, any individual engaged in an occupation within the Borough and an employee of a nonresident employer, may, for the purpose of this Part, be considered a self-employed person, and in the event this tax is not paid, the Administrator shall have the option of proceeding against either the employer or employee for the collection of this tax as hereinafter provided.

10. *Administration of Tax.*

A. It shall be the duty of the tax receiver to accept and receive payments of this tax and to keep a record thereof, showing the amount received by him from each employer or self-employed person, together with the date the tax was received.

B. The Administrator is hereby charged with the administration and enforcement of this Part and is hereby charged and empowered to prescribe, adopt and promulgate rules and regulations relating to any matter pertaining to the administration and enforcement of this Part including provisions for the examination of the payroll records of any employer subject to this Part; the examination and correction of any return made in compliance with this Part and any payment alleged or found to be incorrect or as to which overpayment is claimed or found to have occurred. Any person aggrieved by any decision of the administrator shall have the right to appeal to the Court of Common Pleas of Montgomery County as in other cases provided.

C. The Administrator is hereby authorized to examine the books and payroll records of any employer in order to verify the accuracy of any return made by an employer, or if no return was made, to ascertain the tax due. Each employer is hereby directed and required to give the administrator the means, facilities and opportunity for such examination.

11. *Collection.* In addition to other appropriate remedies provided by law for the collection of unpaid taxes, the Borough may:

A. In the event that any tax under this Part remains due or unpaid in 30 days after the due date above set forth, the Administrator may sue for the recovery of any such tax due or unpaid under this Part together with interest and penalty.

B. If for any reason the tax is not paid when due, interest at the rate of 6 percent on the amount of said tax calculated beginning with the due date of said tax and a penalty of 0.5 percent per month or fraction thereof shall be added to the flat rate of said tax for nonpayment thereof. Where suit is brought for the recovery of this tax, the individual liable therefor shall, in addition, be responsible and liable for the costs of collection.

12. *Fine and Penalty.* Whoever makes any false or untrue statement on any return

required by this Part, or who refuses inspection of his books, records, or accounts in his custody and control setting forth the number of employees subject to this tax who are in his employment, or whoever fails or refuses to file any return required by this Part, or who shall fail to pay the tax due, shall, upon conviction before any magisterial district judge, be sentenced to pay a fine of not more than \$600 plus costs and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days. It is further provided that the action to enforce the fine and penalty herein provided may be instituted against any person in charge of the business of any employer who has failed or refused to file a return required by this Part. [*Ord. 907*]
(*Ord. 726, 12/27/1982, §3; as amended by Ord. 907, 9/23/1996, §24-403*)

Part 5**Business Tax****§24-501. Definitions.**

As used in this Part, the following terms shall have the meanings indicated:

Business—any activity carried on or exercised for gain or profit within the Borough of Hatboro including, but not limited to, any occupation, trade, profession, vending, leasing, business, vocation, or other commercial activity. Business shall not include any business conducted by a nonprofit corporation or association organized for religious, charitable or educational purposes, or any temporary business, or the leasing of fewer than five units.

License year—the calendar year.

Person—any individual 18 years or older, partnership, association, or corporation; whenever used in any clause prescribing or imposing a penalty, the term “person” as applied to partnerships and associations shall mean the partners or members thereof, and as applied to corporations shall mean the officers thereof.

Temporary, seasonal, or itinerant business—any business that is conducted for less than 60 calendar days in any 1 calendar year.

(Ord. 689, 12/19/1979, §107-1)

§24-502. Imposition of Tax; Issuance and Display of License; Duplicate Licenses.

1. There is hereby levied for the period January 1, 1980, through December 31, 1980, and thereafter annually, a tax or registration fee on all businesses in the Borough of Hatboro.

A. Beginning in the year 1980, and annually thereafter, every person desiring to engage in or to continue to engage in any business shall, on or before the 31st day of March in each license year prior to the first day of commencing business in any such license year, file a tax return and obtain a business license from the Borough of Hatboro and pay a tax in the amount set forth in the schedule herein.

B. New businesses shall pay a tax and obtain a license within 45 days of commencement of business.

2. The effective date of this Part is January 1, 1980.

3. Such license shall be issued by the Borough Secretary upon payment of said tax or license fee and shall be conspicuously posted in the place of business of every such person at all times.

(Ord. 689, 12/19/1979, §107-2; as amended by Ord. 744, 3/26/1984, §1)

§24-503. Rate and Basis of Tax Due and Payable for Businesses Other than a Manufacturing Business.

The rate of tax on any business shall be based upon the gross volume of that business for the calendar year immediately preceding the license year and shall be

computed as follows:

A. For all businesses having a gross volume of business of more than \$4,000 and less than \$10,000—\$27.50.

B. For all businesses having a gross volume of business of more than \$10,000 and less than \$50,000—\$165.00.

C. For all businesses having a gross volume of business of more than \$50,000 and less than \$100,000—\$286.00.

D. For all businesses having a gross volume of business of more than \$100,000 and less than \$500,000—\$412.50.

E. For all businesses having a gross volume of business in excess of \$500,000—\$632.50.

F. A new business replacing an existing business shall pay a tax based on gross volume of business of the business it replaces for the preceding year.

G. A new business not replacing an existing business shall pay as follows:

(1) Home occupation—\$25.

(2) All others—\$100.

(*Ord. 689, 12/19/1979, §107-3; as amended by Ord. 718, 1/8/1982, §107-3; by Ord. 728, 12/27/1982, §107-3; by Ord. 744, 3/26/1984, §II; and by Ord. 772, 1/27/1986, §107-3*)

§24-504. Registration Fee Due and Payable for All Manufacturing Businesses.

All manufacturing businesses shall pay a registration fee of \$250 for their business license.

(*Ord. 689, 12/19/1979, §107-4; as amended by Ord. 772, 1/27/1986, §107-4*)

§24-505. Returns.

1. Every person who conducts business within the Borough must file a tax return with the Borough on or before March 31, 1980, and annually thereafter. Such return must be filed on forms provided by the Borough and shall include a description of the business engaged in and the gross receipts for the preceding calendar year.

2. Failure to file a return or filing of an incorrect or fraudulent return shall be a violation of this Part and shall subject the person responsible to the penalties set forth herein.

3. The truth of said return must be certified under penalty of law by the person responsible for filing the return.

4. Every person must, upon demand of the Borough, submit a copy of said person's Federal income tax return for the year involved to verify the correctness of the return.

5. In the event any person fails to file a tax return within the time specified, the Borough shall assess a tax in the amount estimated by the Borough which shall become immediately due.

(*Ord. 689, 12/19/1979, §107-5*)

§24-506. Recovery of Unpaid Taxes; Interest; Violations and Penalties.

1. The Borough may sue for the recovery of taxes or license fees due and unpaid under this Part in the same manner as other Borough debts are collected.

2. If, for any reason, any tax or license fee hereby imposed is not paid when due in each year, a penalty of 10 percent of the amount of the unpaid tax or license fee shall immediately be added and collected.

3. Any person who fails or refuses to procure a business license when so required under this Part, who fails to pay the tax or license fee required under this Part or who fails to keep his license conspicuously posted at his place of business as required herein, shall, upon conviction, be sentenced to pay a fine of not more than \$600 plus costs for each offense, and in default of payment of said fine and costs, shall be imprisoned for a period of not more than 30 days for each offense. [*Ord. 907*]

(*Ord. 689, 12/19/1979, §107-6; as amended by Ord. 907, 9/23/1996, §24-506*)

§24-507. Tax Imposed Additional to Other Taxes.

It is hereby declared to be the intention of the Council that the taxes and license fees imposed under this Part shall be in addition to any and all other taxes and license fees imposed by the Borough of Hatboro.

(*Ord. 689, 12/19/1979, §107-7*)

§24-508. Limitation of Taxing Authority.

Nothing contained in this Part shall be construed to empower the Borough of Hatboro to levy or collect the tax or license fee hereby imposed on any person or any business or any privilege, or any portion of any business, not within the taxing power of the Borough of Hatboro under the Constitution of the United States or the Constitution or laws of the Commonwealth of Pennsylvania.

(*Ord. 689, 12/19/1979, §107-8*)

§24-509. Statutory Authority.

This Part is enacted under the authority vested in the Borough by the Act of December 31, 1965, P.L. 1257, as amended, known as the "Local Tax Enabling Act," 53 P.S. §6924.101 *et seq.*

(*Ord. 689, 12/19/1979, §107-9*)

