

Chapter 24

Taxation; Special

Part 1

Earned Income Tax

- §24-101. Tax Imposed on Earned Income and Net Profits
- §24-102. Incorporation of Statutory Provisions
- §24-103. Income Tax Officer
- §24-104. Legal Authority for Enactment

Part 2

Local Services Tax

- §24-201. Definitions
- §24-202. Levy
- §24-203. Exemption and Refunds
- §24-204. Duty of Employers to Collect
- §24-205. Returns
- §24-206. Dates for Determining Tax Liability and Payment
- §24-207. Self-Employed Individuals
- §24-208. Individuals Engaged in More than One Occupation or Employed in More than One Political Subdivision
- §24-209. Nonresidents Subject to Tax
- §24-210. Administration of Tax
- §24-211. Suits for Collection
- §24-212. Violations and Penalties
- §24-213. Interpretation

Part 3

Per Capita Tax

- §24-301. Levy of Tax
- §24-302. Collection by Borough Tax Collector
- §24-303. Compensation of Tax Collector for Collection of Tax
- §24-304. Powers and Duties of Tax Collector
- §24-305. Penalty on Delinquent Taxes

Part 4

Realty Transfer Tax

- §24-401. Short Title
- §24-402. Authority
- §24-403. Definitions
- §24-404. Administration, Imposition of Tax; Interest and Penalties
- §24-405. Exempt Parties
- §24-406. Excluded Transactions

- §24-407. Documents Relating to Associations or Corporations and Members, Partners, Stockholders or Shareholders Thereof
- §24-408. Acquired Companies
- §24-409. Credits Against Tax
- §24-410. Extension of Lease
- §24-411. Proceeds of Judicial Sale
- §24-412. Duties of Recorder of Deeds
- §24-413. Statement of Value
- §24-414. Civil Penalties
- §24-415. Tax to Become Lien
- §24-416. Enforcement
- §24-417. Regulations

Part 5
Amusement Device Tax

- §24-501. Definitions
- §24-502. Levy of Tax
- §24-503. Taxes Due and Payable
- §24-504. Certificates
- §24-505. Penalty
- §24-506. Information Confidential
- §24-507. Recovery of Taxes and Interest
- §24-508. Revenues for General Purposes
- §24-509. Expenses of Administration
- §24-510. Applicability
- §24-511. Fines and Penalties for Violation of Chapter
- §24-512. Legal Authority for Enactment
- §24-513. Duration

Part 6
Local Economic Tax Revitalization Assistance

- §24-601. Definitions
- §24-602. Exemption Area
- §24-603. Exemption
- §24-604. Maximum Exemption
- §24-605. Procedure for Obtaining Exemption
- §24-606. Termination Date

Part 1**Earned Income Tax****§24-101. Tax Imposed on Earned Income and Net Profits.**

A tax for general revenue purposes of one-half of 1 percent is hereby imposed on:

A. Earned income earned on and after January 1, 1975, by residents of the Borough.

B. Earned income earned on and after January 1, 1975, by nonresidents of the Borough for work done or services performed or rendered in the Borough.

C. Net profits earned on and after January 1, 1975, of businesses, professions and other activities conducted by residents of the Borough.

D. Net profits earned on and after January 1, 1975, by businesses, professions and other activities conducted in the Borough by nonresidents of the Borough.

(Ord. 456, 1/6/1975, §3-2011)

§24-102. Incorporation of Statutory Provisions.

Section 13 of the Local Tax Enabling Act of 1965 (P.L. 1257), 53 P.S. §6913, as amended and supplemented, is hereby adopted and incorporated by reference and made a part of this Part, to the same extent as if the full text of the said Section were set out verbatim in this Part, except that:

A. In the case of net profits, the borough elects to operate under the option set forth in subsection .III.A(1)(ii) of the said §13, requiring an annual declaration of estimated net profits and quarterly payments thereof, rather than annual payments of the tax due on net profits of the preceding year as set forth in subsection .III.A(1)(i).

B. In the case of earned income not subject to withholding, the borough elects to operate under the option set forth under subsection .III.B(2) requiring quarterly declarations and payments, rather than the option set forth in subsection .III.B(1) requiring an annual declaration and return and a single payment.

(Ord. 456, 1/6/1975, §3-2012)

§24-103. Income Tax Officer.

The Borough Council may from time to time appoint and designate a person or agency to serve as Income Tax Officer, and the bond of the Income Tax Officer shall be filed with the Borough Council.

(Ord. 456, 1/6/1975, §3-2013)

§24-104. Legal Authority for Enactment.

This Part is enacted under the authority of Act 511 of 1965, known as the "Local Tax Enabling Act," approved December 31, 1965, as amended.

(Ord. 456, 1/6/1975, §3-2014)

Part 2**Local Services Tax****§24-201. 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.

Collector - the person, public employee or private agency designated by the political subdivision to collect and administer the tax herein imposed.

DCED - the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Earned income - compensation as this term is defined in §13 [relating to earned income taxes] of the Local Tax Enabling Act, the Act of Dec. 31, 1965, P.L. 1257, §13, as amended, 53 P.S. §6913, as amended.

Employer - an individual, partnership, association, limited liability corporation, limited liability partnership, corporation, governmental body, agency or other entity employing one or more persons on a salary, wage, 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 genders.

Individual - any person, male or female, engaged in any occupation, trade or profession within the corporate limits of the political subdivision.

Net profits - the net income from the operation of a business, profession; or other activity, as this term is defined in §13 [relating to earned incomes taxes] of the Local Tax Enabling Act, the Act of Dec. 31, 1965, P.L. 1251, §13, as amended, 53 P.S. §6913, as amended.

Occupation - any trade, profession, business or undertaking of any type, kind or character, including services, domestic or other, earned on or performed within the corporate limits of the political subdivision for which compensation is charged or received; whether by means of salary, wages, commission or fees for services rendered.

Political subdivision - the area within the corporate limits of the Borough of Mount Pleasant.

Tax - the local services tax at the rate fixed in §24-202 of this Part.

Tax year - the period from January 1 until December 31 in any year; a calendar year.

(Ord. 618, 11/24/2008, §3-2021)

§24-202. Levy.

For specific revenue purposes, an annual tax is hereby levied and assessed upon the privilege of engaging in an occupation with a primary place of employment within the Borough of Mount Pleasant during the tax year. Each natural person who exercises

such privilege for any length of time during any tax year shall pay the tax for that year in the amount of \$52 assessed by the Borough of Mount Pleasant on a pro rata basis, in accordance with the provisions of this Part. If a school district located within the boundaries of the Borough exercises its right under the Local Tax Enabling Act to levy a tax in the amount of \$5, the amount of the tax payable to the Borough of Mount Pleasant under this Part shall be reduced to \$47 so that no taxpayer shall be liable to pay a tax in excess of \$52. This tax revenue may be used solely for the following purposes as the same may be allocated by the Borough of Mount Pleasant from time to time: (A) emergency services, which shall include emergency medical services, police services and/or fire services; (B) road construction and/or maintenance; (C) reduction of property taxes; or (D) property tax relief through implementation of a homestead and farmstead exclusion in accordance with 53 Pa.C.S. Ch. 85, Subch. F. (relating to homestead property exclusion). The Borough of Mount Pleasant shall use no less than 25 percent of the funds derived from the tax for emergency services. This tax is in addition to all other taxes of any kind or nature heretofore levied by the political subdivision. The tax shall be no more than \$52 on each person for each calendar year, irrespective of the number of political subdivisions within which a person may be employed.

(*Ord. 618*, 11/24/2008, §3-2022; as amended by *Ord. 633*, 12/5/2011, §1)

§24-203. Exemption and Refunds.

1. *Exemption.* Any person whose total earned income and net profits from all sources within the political subdivision is less than \$12,000 for any calendar year in which the tax is levied is exempt from the payment of the tax for that calendar year. In addition, the following persons are exempt from payment of the tax:

A. Any person who has served in any war or armed conflict in which the United States was engaged and is honorably discharged or released under honorable circumstances from active service if, as a result of military service, the person is blind, paraplegic or a double or quadruple amputee or has a service-connected disability declared by the United States Veterans' Administration or its successor to be a total 100 percent disability.

B. Any person who serves as a member of a reserve component of the armed forces and is called to active duty at any time during the taxable year. For the purposes of this paragraph, "reserve component of the armed forces" shall mean the United States Army Reserve, United States Navy Reserve, United States Marine Corps Reserve, United States Coast Guard Reserve, United States Air Force Reserve, the Pennsylvania Army National Guard or the Pennsylvania Air National Guard.

2. *Procedure to Claim Exemption.*

A. A person seeking to claim an exemption from the local services tax may annually file an exemption certificate with the political subdivision and with the person's employer affirming that the person reasonably expects to receive earned income and net profits from all sources within the political subdivision of less than \$12,000 in the calendar year for which the exemption certificate is filed. In the event the political subdivision utilizes a tax collection officer, it shall provide a copy of the exemption certificate to that officer. The exemption certificate shall have

attached to it a copy of all the employee's last pay stubs or W-2 forms from employment within the political subdivision for the year prior to the fiscal year for which the employee is requesting to be exempted from the tax. Upon receipt of the exemption certificate and until otherwise instructed by the political subdivision or

except as required by paragraph .B, the employer shall not withhold the tax from the person during the calendar year or the remainder of the calendar year for which the exemption certificate applies. Employers shall ensure that the exemption certificate forms are readily available to employees at all times and shall furnish each new employee with a form at the time of hiring. The exemption certificate form shall be the uniform form provided by the political subdivision.

B. With respect to a person who claimed an exemption for a given calendar year from the tax, upon notification to an employer by the person or by the political subdivision that the person has received earned income and net profits from all sources within the political subdivision equal to or in excess of \$12,000 in that calendar year or that person is otherwise ineligible for the tax exemption for that calendar year, or upon an employer's payment to the person of earned income within the Borough in an amount equal to or in excess of \$12,000 in that calendar year, an employer shall withhold the local services tax from the person under paragraph .C.

C. If a person who claimed an exemption for a given calendar year from the tax becomes subject to the tax for the calendar year under paragraph .B, the employer shall withhold the tax for the remainder of that calendar year. The employer shall withhold from the person, for the first payroll period after receipt of the notification under paragraph .B, a lump sum equal to the amount of tax that was not withheld from the person due to the exemption claimed by the person under this subsection, plus the per payroll amount due for that first payroll period. The amount of tax withheld per payroll period for the remaining payroll periods in that calendar year shall be the same amount withheld for other employees. In the event the employment of a person subject to withholding of the tax under this paragraph is subsequently severed in that calendar year, the person shall be liable for any outstanding balance of tax due, and the political subdivision may pursue collection under this Part.

D. Except as provided in paragraph .B, it is the intent of this subsection that employers shall not be responsible for investigating exemption certificates, monitoring tax exemption eligibility or exempting any employee from the local services tax.

3. *Refunds.* The Borough of Mount Pleasant, in consultation with the collector and DCED, shall establish procedures for the processing of refund claims for any tax paid by any person who is eligible for exemption, which procedures shall be in accord with provisions of the general municipal law relating to refunds of overpayments and interest on overpayments. Refunds made within 75 days of a refund request or 75 days after the last day the employer is required to remit the tax for the last quarter of the calendar year, whichever is later, shall not be subject to interest. No refunds shall be made for amounts overpaid in a calendar year that do not exceed \$1. The Borough of Mount Pleasant or the collector shall determine eligibility for exemption and provide refunds to exempt persons.

(Ord. 618, 11/24/2008, §3-2023)

§24-204. Duty of Employers to Collect.

1. Each employer within the political subdivision, as well as those employers

situated outside the political subdivision but who engage in business within the political subdivision, is hereby charged with the duty of collecting the tax from each of his employees engaged by him or performing for him within the political subdivision and making a return and payment thereof to the collector. Further, each employer is hereby authorized to deduct this tax for each employee in his or her employ, whether said employee is paid by salary, wage or commission and whether or not all such services are performed within the political subdivision.

2. A person subject to the tax shall be assessed by the employer a pro rata share of the tax for each payroll period in which the person is engaging in an occupation. The pro rata share of the tax assessed on the person for a payroll period shall be determined by dividing the rate of the tax levied for the calendar year by the number of payroll periods established by the employer for the calendar year. For purposes of determining the pro rata share, an employer shall round down the amount of the tax collected each payroll period to the nearest one-hundredth of a dollar. Collection of the tax shall be made on a payroll period basis for each payroll period in which the person is engaging in an occupation, except as provided in subsection .4 of this Section, For purposes of this subsection, combined rate shall mean the aggregate annual rate of the tax levied by the school district and the Borough.

3. No person shall be subject to the payment of the local services tax by more than one political subdivision during each payroll period.

4. In the case of concurrent employment, an employer shall refrain from withholding the tax if the employee provides a recent pay statement from a principal employer that includes the name of the employer, the length of the payroll period and the amount of the tax withheld and a statement from the employee that the pay statement is from the employee's principal employer and the employee will notify other employers of a change in principal place of employment within 2 weeks of its occurrence. The employee's statement shall be provided on the form approved by DCED.

5. The tax shall be no more than \$52 on each person for each calendar year, irrespective of the number of political subdivisions within which a person may be employed. The political subdivision shall provide a taxpayer a receipt of payment upon request by the taxpayer.

6. No employer shall be held liable for failure to withhold the tax or for the payment of the withheld tax money to the political subdivision if the failure to withhold taxes arises from incorrect information submitted by the employee as to the employee's place or places of employment, the employee's principal office or where the employee is principally employed. Further, an employer shall not be liable for payment of the local services tax in an amount exceeding the amount withheld by the employer if the employer complies with the provisions of subsection .2 of this Section and remits the amount so withheld in accordance with this Part.

7. Employers shall be required to remit the local services taxes 30 days after the end of each quarter of a calendar year.

(Ord. 618, 11/24/2008, §3-2024)

§24-205. Returns.

Each employer shall prepare and file a return showing a computation of the tax on forms to be supplied to the employer by the Collector. If an employer fails to file the

return and pay the tax, whether or not the employer makes collection thereof from the salary, wages or commissions paid by him or her to an employee, except as provided hereafter in this Part, the employer shall be responsible for the payment of the tax in full as though the tax had been originally levied against the employer.

(*Ord. 618, 11/24/2008, §3-2025*)

§24-206. Dates for Determining Tax Liability and Payment.

In each tax year, each employer shall use his or her employment records to determine the number of employees from whom such tax shall be deducted and paid over to the collector on or before the thirtieth day following the end of each calendar quarter of each such tax year.

(*Ord. 618, 11/24/2008, §3-2026*)

§24-207. Self-Employed Individuals.

Each self-employed individual who performs services of any type or kind or engages in any occupation or profession within a primary place of employment within the political subdivision shall be required to comply with this Part and pay the pro rata portion of the tax due to the collector on or before the thirtieth day following the end of each quarter.

(*Ord. 618, 11/24/2008, §3-2027*)

§24-208. Individuals Engaged in More than One Occupation or Employed in More than One Political Subdivision.

1. The situs of the tax shall be the place of employment on the first day the person becomes subject to the tax during each payroll period. In the event a person is engaged in more than one occupation, that is, concurrent employment, or an occupation which requires the person working in more than one political subdivision during a payroll period, the priority of claim to collect the local services tax shall be in the following order:

A. First, the political subdivision in which the person maintains his or her principal office or is principally employed.

B. Second, the political subdivision in which the person resides and works if the tax is levied by that political subdivision.

C. Third, the political subdivision in which a person is employed and which imposes the tax nearest in miles to the person's home.

In case of dispute, a tax receipt of the taxing authority for that calendar year declaring that the taxpayer has made prior payment constitutes prima facie certification of payment to all other political subdivisions.

(*Ord. 618, 11/24/2008, §3-2028*)

§24-209. Nonresidents Subject to Tax.

All employers and self-employed individuals residing or having their places of business outside of the political subdivision but who perform services of any type or kind or engage in any occupation or profession within the political subdivision 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 political subdivision. Further, any individual engaged in an occupation within the political subdivision and an employee of a nonresidential employer may, for the purpose of this Part, be considered a self-employed person, and in the event his or her tax is not paid, the political subdivision shall have the option of proceeding against either the employer or employee for the collection of this tax as hereinafter provided.

(*Ord. 618, 11/24/2008, §3-2029*)

§24-210. Administration of Tax.

1. The collector shall be appointed by resolution of the political subdivision. It shall be the duty of the collector to accept and receive payments of this tax and to keep a record thereof showing the amount received by him from each employer of self-employed person, together with the date the tax was received.

2. The collector is hereby charged with the administration and enforcement of this Part and is hereby charged and empowered, subject to municipal approval, to proscribe, 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 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 collector shall have the right to appeal consistent with the Local Taxpayers Bill of Rights under Act 50 of 1998.

3. The collector 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 collector the means, facilities and opportunity for such examination.

(*Ord. 618, 11/24/2008, §3-2030*)

§24-211. Suits for Collection.

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

2. If for any reason the tax is not paid when due, interest at the rate of 6 percent on the amount of such tax shall be calculated beginning with the due date of the tax and a penalty of 5 percent shall be added to the flat rate of such tax for nonpayment thereof. Where suit is brought for the recovery of this tax or other appropriate remedy undertaken, the individual liable therefore shall, in addition, be responsible and liable for the costs of collection.

(*Ord. 618, 11/24/2008, §3-2031*)

§24-212. Violations and Penalties.

Whoever makes any false or untrue statement on any return required by this Part, or whoever refuses inspection of the books, records or accounts in his or her custody and control setting forth the number of employees subject to this tax who are in his or her

employment, or whoever fails or refuses to file any return required by this Part, upon conviction thereof, shall be sentenced to 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. The action to enforce the penalty herein prescribed may be instituted against any person in charge of the business of any employer who shall have failed or who refuses to file a return required by this Part. Each day that a violation of this Part continues or each Section of this Part which shall be found to have been violated shall constitute a separate offense.

(*Ord. 618*, 11/24/2008, §3-2032; as amended by *Ord. 624*, 1/19/2010)

§24-213. Interpretation.

1. Nothing contained in this Part shall be construed to empower the political subdivision to levy and collect the tax hereby imposed on any occupation not within the taxing power of the political subdivision under the Constitution of the United States and the laws of the Commonwealth of Pennsylvania.

2. If the tax hereby imposed under the provisions of this Part shall be held by any court of competent jurisdiction to be in violation of the Constitution of the United States or of the laws of the Commonwealth of Pennsylvania as to any individual, the decision of the Court shall not affect or impair the right to impose or collect said tax or the validity of the tax so imposed on other persons or individuals as herein provided.

(*Ord. 618*, 11/24/2008, §3-2033)

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

By authority of the Act of the General Assembly approved December 31, 1965, cited as the "Local Tax Enabling Act," 53 P.S. §6901 *et seq.*, as amended, a per capita tax of \$5 per annum is hereby levied and assessed for the calendar year of 1999 and shall continue in force on a calendar year basis thereafter upon each resident of the Borough 18 years of age and over, which tax shall be in addition to any other taxes levied and assessed by the Borough, provided that this tax shall not apply to persons whose income is less than \$5,000 annually.

(*Ord. 456, 1/6/1975, §3-2041; as amended by Ord. 571, 6/7/1999, §1*)

§24-302. Collection by Borough Tax Collector.

The tax shall be collected by the duly elected or appointed Tax Collector of the Borough in the same manner and at the same time or times as other Borough taxes are collected in accordance with the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended, and subject to the penalties prescribed therein.

(*Ord. 456, 1/6/1975, §3-2042*)

§24-303. Compensation of Tax Collector for Collection of Tax.

The compensation of the Tax Collector for the collection of such tax shall be the same as fixed from time to time by the Council of the Borough for the collection of other Borough taxes.

(*Ord. 456, 1/6/1975, §3-2043*)

§24-304. Powers and Duties of Tax Collector.

It is the intent of this Part and there is hereby conferred upon the Tax Collector all the powers, together with all the duties and obligations, to the same extent and as fully as provided for in the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended.

(*Ord. 456, 1/6/1975, §3-2044*)

§24-305. Penalty on Delinquent Taxes.

The penalty on delinquent per capita taxes for the Borough of Mount Pleasant effective January 1, 1982, is changed from 5 percent to 10 percent.

(*Ord. 456, 1/6/1975, §3-2045; as amended by Ord. 500, 3/1/1982*)

Part 4**Realty Transfer Tax****§24-401. Short Title.**

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

(Ord. 624, 1/19/2010)

§24-402. 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 Mount Pleasant Borough, 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-D *et seq.* and administered, collected and enforced under the “Local Tax Enabling Act,” 53 P.S. §6901 *et seq.*

(Ord. 624, 1/19/2010)

§24-403. Definitions.

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

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.

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, transfers, demises, vests, confirms or evidences any transfer or demise of title to 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 whereby 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 §24-402 of this Part.

Family farm corporation - a corporation of which at least 75 percent of its assets are devoted to the business of agriculture and 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 include the leasing to members of the same family of property, which is directly and principally used for agricultural purposes. The business of agriculture shall not be deemed to include:

- (1) Recreational activities such as, but not limited to, hunting, fishing,

camping, skiing, show competition or racing.

(2) 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.

(3) Fur farming.

(4) Stockyard and slaughterhouse operations.

(5) Manufacturing or processing operations of any kind.

Family farm partnership - a partnership of which at least 75 percent of its assets are devoted to the business of agriculture and at least 75 percent of each class of stock of the partnership is continuously owned by members of the same family. The business of agriculture shall include the leasing to members of the same family of property, which is directly and principally used for agricultural purposes. The business of agriculture shall not be deemed to include:

(1) Recreational activities such as, but not limited to, hunting, fishing, camping, skiing, show competition or racing.

(2) 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.

(3) Fur farming.

(4) Stockyard and slaughterhouse operations.

(5) Manufacturing or processing operations of any kind.

Living trust - any trust, other than a business trust, intended as a will substitute by the settlor, which becomes effective during the lifetime of the settlor but from which trust distributions cannot be made to any beneficiaries other than the settlor prior to the death of the settlor.

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.

Ordinary trust - any trust, other than a business trust or a living trust, which takes effect during the lifetime of the settlor and for which the trustees of the trust take title to property primarily for the purpose of protecting, managing or conserving it until distribution to the named beneficiaries of the trust. An ordinary trust does not include a trust that has an objective to carry on business and divide gains, nor does it either expressly or impliedly have any of the following features: the treatment of beneficiaries as associates, the treatment of the interests in the trust as personal property, the free transferability of beneficial interests in the trust, centralized management by the trustee or the beneficiaries or continuity of life.

Person - every natural person, association or corporation. Whenever used in any 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 -

(1) All lands, tenements or hereditaments within Mount Pleasant Borough, 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 or land, but excluding permanently attached machinery and equipment in an industrial plant.

(2) A condominium unit.

(3) 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:

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

(2) 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 -

(1) Any 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.

(2) Any 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 an estate in fee simple, life estate or perpetual leasehold, including without limitation a leasehold interest or possessory interest under a lease or occupancy agreement for a term of 30 years or more or 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 -

(1) 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 thereto, 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 other 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.

(2) 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 consider-

ation 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 ration factor developed by the Pennsylvania Department of Revenue for Pennsylvania realty transfer tax base calculations.

(3) In the case of an easement or other interest in real estate, the value of which is not determinable under subparagraphs (1) or (2), the actual monetary worth of such interest.

(4) 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. 624, 1/19/2010)

§24-404. Administration, Imposition of Tax; Interest and Penalties.

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 such document, which tax shall be payable at the earlier of the time the document is 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 the 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, No. 511, 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 Mount Pleasant Borough under the authority of that Act shall, during the time such duplication of the tax exists, except as otherwise provided, be $\frac{1}{2}$ of the rate and such $\frac{1}{2}$ rate shall become effective without any action on the part of Mount Pleasant Borough; provided, however, that Mount Pleasant Borough and any other political subdivision which imposes 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. The tax imposed under §24-402 and all applicable interest and penalties shall be administered, collected and enforced under the Act of December 31, 1965, P.L. 1257, No. 511, 53 P.S. §6901 *et seq.*, 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, Mount Pleasant Borough, pursuant to §1102-D of the Tax Reform Code of 1971, 72 P.S. §8102-D, authorizes and directs the Department of Revenue of the Commonwealth of Pennsylvania to determine, collect and enforce the tax, interest and penalties.

5. Any tax imposed under §24-402 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 "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. 624, 1/19/2010)

§24-405. Exempt Parties.

The United States, the Commonwealth of Pennsylvania 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. 624, 1/19/2010)

§24-406. Excluded Transactions.

1. The tax imposed by §24-404 shall not be imposed upon:

A. A transfer to the United States, the Commonwealth of Pennsylvania or to any of their instrumentalities, agencies or political subdivisions, by gift, dedication or deed in lieu of condemnation or deed of 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 Mount Pleasant Borough 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 of 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 such transfer is made within 3 months of the date of the granting of the final decree in divorce

or the decree of equitable distribution of marital property, whichever is later, 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 brother or sister or the 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 of the possible beneficiaries that are entitled to receive the property or proceeds from the sale of the property under the trust, whether or not such beneficiaries are contingent or specifically named. A trust clause which identifies the contingent beneficiaries by reference to the heirs of the trust settlor as determined by the laws of the intestate succession shall not disqualify a transfer from the exclusion provided by this clause. 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 to a trustee of a living trust from the settlor of the living trust. No such exemption shall be granted unless the Recorder of Deeds is presented with a copy of the living trust instrument.

J. A transfer for no or nominal actual consideration from a trustee of an ordinary trust to a specifically named beneficiary that is entitled to receive the property under the recorded trust instrument or to a contingent beneficiary where the transfer of the same property would be exempt if the transfer was made by the grantor of the property into the trust to that beneficiary. However, any transfer of real estate from a living trust during the settlor's lifetime shall be considered for the purposes of this Part as if such transfer were made directly from the settlor to the grantee.

K. A transfer for no or nominal actual consideration from a trustee of a living trust after the death of the settlor of the trust or from a trustee of a trust created pursuant to the will of a decedent to a beneficiary to whom the property is devised or bequeathed.

L. A transfer for no or nominal actual consideration from the trustee of a living trust to the settlor of the living trust if such property was originally conveyed to the trustee by the settlor.

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

N. A transfer for no or nominal actual consideration between principal and agent or straw party for the purpose of placing a mortgage or ground rent upon the premises; or 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 agreement 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 paragraph.

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

P. 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 the association in the same proportion as his 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.

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

R. 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.

(2) The agency or authority has the full ownership interest in the real estate transferred.

S. 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 is the bona fide holder of a mortgage, unless the holder assigns the bid to another person.

T. 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 transfer or for commercial purposes.

U. A transfer to a conservancy which possesses a tax exempt status pursuant to §501(c)(3) of the Internal Revenue Code of 1954 (68A Stat. 3, 26 U.S.C. §501(c)(3)) and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural or open space opportunities; or a transfer from such a conservancy to the United States, the Commonwealth or to any of their instrumentalities, agencies or political subdivisions; or any transfer from such a conservancy where the real estate is encumbered by a perpetual agricultural conservation easement, as defined by the Act of June 30, 1981, P.L. 128, No. 43, known as the "Agricultural Area Security Law," and such conservancy has owned the real estate for at least 2 years immediately prior to the transfer.

V. 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.

W. A transfer of real estate devoted to the business of agriculture to a family farm partnership by a member of the same family, which family directly owns at least 75 percent of the interests in the partnership.

X. A transfer between members of the same family of an ownership interest in a real estate company, family farm corporation or family farm partnership, which owns real estate.

Y. A transaction wherein the tax due is \$1 or less.

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

AA. A transfer by the owner of previously occupied residential premises to a builder of new residential premises when such previously occupied residential premises is taken in trade by such builder as part of the consideration from the purchaser of a new previously, unoccupied single-family residential premises.

BB. A transfer between corporations operating housing projects pursuant to the housing and redevelopment assistance law and the shareholders thereof.

CC. On a conveyance to a trustee under a recorded trust agreement for the express purpose of holding title in trust as security for a debt contracted at the time of the conveyance under which the trustee is not the lender and requiring the trustee to make reconveyance to the grantor-borrower upon the repayment of the debt.

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. 624, 1/19/2010)

§24-407. Documents Relating to Associations or Corporations and Members, Partners, Stockholders or Shareholders Thereof.

Except as otherwise provided in §24-406, 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 Part, corporations and association are entities separate from their members, partners, stockholders or shareholders.

(Ord. 624, 1/19/2010)

§24-408. Acquired Companies.

1. A real estate company is an acquired company upon a change in the ownership interest in the company, however affected, 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 or 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. A family farm partnership is an acquired company when, because of voluntary or involuntary dissolution, it ceases to be a family farm partnership or when, because of transfer of partnership interests 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 partnership under this Part.

4. Within 30 days after becoming an acquired company, the company shall present a declaration of acquisition with the Recorder of Deeds 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 country. A copy of the Pennsylvania Realty Transfer Tax Declaration of Acquisition may be submitted for this purpose.

(*Ord. 624, 1/19/2010*)

§24-409. 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 of 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 proceeding year as 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 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 carry-over credit shall be allowed.

(*Ord. 624, 1/19/2010*)

§24-410. 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. 624, 1/19/2010*)

§24-411. 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 of the sale and of the writ upon which the sale is made, except the State realty transfer tax and the sheriff, or other officer conducting the 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. 624, 1/19/2010)

§24-412. 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 Mount Pleasant Borough based on a redetermination of the amount of tax due by the Commonwealth of Pennsylvania of the Pennsylvania realty transfer tax, without compensation from Mount Pleasant Borough.

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

3. On or before the tenth of each month, the Recorder of Deeds shall pay over to Mount Pleasant Borough all local realty transfer taxes collected, less 2 percent for use of Chester County, together with a report containing the 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 Chester County.

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

(Ord. 624, 1/19/2010)

§24-413. 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 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. 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 affixation of stamps shall be accompanied by a certified copy of the document and statement of value executed 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. 624, 1/19/2010)

§24-414. Civil Penalties.

1. If any part of any underpayment of tax 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 thereto, 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 in the aggregate.

(*Ord. 624, 1/19/2010*)

§24-415. Tax to Become Lien.

The tax imposed by this Part shall become a lien upon the lands, tenements or hereditaments, or any interest therein, lying, being situated, wholly or in part within the boundaries of Mount Pleasant Borough, which lands, tenements, hereditaments, or interest 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 discharge 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 Chester 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. 624, 1/19/2010*)

§24-416. 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. 624, 1/19/2010*)

§24-417. Regulations.

The Mount Pleasant Borough Council is charged with enforcement and collection of the tax and is empowered to regulate 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. 624, 1/19/2010*)

Part 5**Amusement Device Tax****§24-501. Definitions.**

1. Unless otherwise herein expressly stated, the following terms shall have for the purpose of this Part the meanings hereby respectively indicated:

Collector - the individual, corporation or other business entity which the Borough Council of the Borough of Mount Pleasant designates as the Amusement Device Tax Collector. This designation shall be made by motion of Council and when duly passed shall remain in effect until changed by motion of said Mount Pleasant Borough Council. [Ord. 589]

Device - any mechanical amusement device for the use of which for profit, a tax is levied under this Part.

Mechanical amusement device - any device which, upon the insertion of a coin, slug, token, plate or disc, may be operated for use as a game, entertainment or amusement, whether or not registering a score and whether or not a prize is offered. Provided such term shall not include any gambling device or any mechanism that has been judicially determined to be a gambling device, nor shall it include any mechanical device which plays records, tapes or DVDs which provide only musical selections. [Ord. 589]

Person - any, natural person, association, co-partnership, firm, or corporation.

2. In this Part, the singular shall include the plural and the masculine shall include the feminine and the neuter.

(Ord. 456, 1/6/1975, §3-2071; as amended by Ord. 589, 11/18/2002, §§I and II)

§24-502. Levy of Tax.

There is hereby imposed a tax, for general Borough purposes, upon the privilege of using for profit, within the Borough of Mount Pleasant, any mechanical amusement device as herein defined. Such tax shall be payable by the person owning and/or operating the establishment in which such device is installed for use. Such tax shall be payable on an annual basis and shall be assessed in the following manner:

A. The sum of \$300 when one to three mechanical amusement devices are installed for use in the Borough of Mount Pleasant as herein set forth.

B. The sum of \$500 when more than three mechanical amusement devices are installed for use in the Borough of Mount Pleasant as herein set forth.

[Ord. 589]

(Ord. 456, 1/6/1975, §3-2072; as amended by Ord. 567, 5/4/1988, §1; and by Ord. 589, 11/18/2002, §III)

§24-503. Taxes Due and Payable.

The tax imposed under this Part shall be payable to the Collector, on or before the 13th day of June, 1975, and annually thereafter on or before the 30th day of June. No deduction or refund of any tax payable under this Part shall be granted in the case of

any tax payable for less than a full year, or in case of any device destroyed, stolen, sold, or otherwise disposed of or transferred after the payment of such tax. Provided, however, in the case of the substitution of any device by another device in the same class, the use of which is taxable under this Part, no additional tax shall be paid, provided that the total number of devices of the same class in use upon the premises remains no greater than that upon which such tax was paid.

(*Ord. 456, 1/6/1975, §3-2073; as amended by Ord. 589, 11/18/2002, §IV*)

§24-504. Certificates.

1. The Collector shall procure, at the expense of the Borough, a sufficient number of certificates, upon each of which the following information shall be printed or inserted in ink or by typewriter: [*Ord. 589*]

- A. The name of the Borough.
- B. The number of the certificate.
- C. The name and address of the person paying the tax.
- D. The year for which the tax shall have been paid.
- E. The date on which such tax shall have been paid.
- F. The type of device for which the tax shall have been paid.
- G. The amount of the tax paid.

2. Whenever any tax shall have been paid under this Part, the Collector shall prepare in duplicate a certificate, as herein prescribed. The original of such certificate, to which the Borough Seal shall be affixed, shall be given to the person paying such tax, and the duplicate shall be kept on file, by the Collector. The Collector shall also procure and give to each person paying such tax a seal to be affixed to each device for the use of which such tax shall have been paid. Such seal shall indicate the year for which such tax shall have been paid, the type of device and the certificate number. [*Ord. 589*]

3. In case of the loss, defacement or destruction of any original certificate or seal, the person to whom such certificate or seal was issued shall apply to the Collector who may issue a new certificate or seal in replacement thereof, upon the payment of a fee in an amount as established from time to time by resolution of Borough Council and who shall amend the duplicate of the certificate first issued in case that a new, certificate has been issued. [*Ord. 624*]

4. In case of removal of any establishment in which any device for the use of which a tax shall have been paid under this Part, to another location in the Borough, or in case of a change in the identity of the person operating such or owning any such establishment, the person operating such establishment shall report such fact within 5 days of such change in location or personnel, and the Collector shall immediately amend the certificate and duplicate certificate. [*Ord. 589*]

5. Before the removal of any device from any establishment, the person operating such establishment shall remove the seal issued under this Part from such device. Such seal may be affixed to any other device of the same class used in such establishment during the current year.

(*Ord. 456, 1/6/1975, §3-2074; as amended by Ord. 589, 11/18/2002, §IV; and by Ord. 624, 1/19/2010*)

§24-505. Penalty.

If any tax levied in pursuance of this Part shall not be paid when due, a penalty of 10 percent of the amount of the tax due and unpaid shall be added thereto.

(*Ord. 456, 1/6/1975, §3-2075*)

§24-506. Information Confidential.

Any information gained by the Collector or any other official or agent of the Borough as a result of any returns, investigations, 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. Any disclosure of any information, contrary to the provisions of this Section, shall constitute a violation of this Part.

(*Ord. 456, 1/6/1975, §3-2076; as amended by Ord. 589, 11/18/2002, §IV*)

§24-507. Recovery of Taxes and Interest.

All taxes imposed by this Part, together with all penalties, interest and costs, shall be recoverable by the Borough Solicitor as debts of like amount are by law recoverable.

(*Ord. 456, 1/6/1975, §3-2077*)

§24-508. Revenues for General Purposes.

All taxes, interest, and penalties collected or recovered by the Collector or any other Borough officer or person for or in behalf of the Borough, shall be paid into the Borough treasury as general revenue to be used for general revenue purposes.

(*Ord. 456, 1/6/1975, §3-2078; as amended by Ord. 589, 11/18/2002, §IV*)

§24-509. Expenses of Administration.

All expenses incurred in the administration of this Part shall be paid by the Borough.

(*Ord. 456, 1/6/1975, §3-2079*)

§24-510. Applicability.

This Part shall not apply to any person or property as to whom or which it is beyond the legal power of the Borough Council to impose the tax or duties herein provided for.

(*Ord. 456, 1/6/1975, §3-2080*)

§24-511. Fines and Penalties for Violation of Chapter.

Any person who shall be convicted before any magisterial district judge for violating or failing to carry out any of the provisions or requirements of this Part or of neglecting, failing, or refusing to furnish complete and correct returns or to pay over any tax levied by this Part at the time required or of knowingly making any incomplete, false, or fraudulent return or of doing or attempting to do anything whatever to avoid the payment of the whole or any part of the tax imposed under this Part, upon conviction thereof, shall be sentenced to 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 or each Section of this Part which shall be found to have been violated shall constitute a separate offense.

(*Ord. 456, 1/6/1975, §3-2081; as amended by Ord. 589, 11/18/2002, §V; and by Ord. 624, 1/19/2010*)

§24-512. Legal Authority for Enactment.

This Part is enacted under the authority of Act No. 511 of 1965, approved December 31, 1965, 53 P.S. §6901 *et seq.*, as amended.

(*Ord. 456, 1/6/1975, §3-2082*)

§24-513. Duration.

The tax imposed by this Part shall continue in force on a calendar-year basis without annual reenactment unless the rate of the tax is subsequently changed.

(*Ord. 456, 1/6/1975, §3-2083*)

Part 6**Local Economic Tax Revitalization Assistance****§24-601. Definitions.**

As used in this Part, the following words and phrases shall have the meaning set forth below:

Eligible property - any industrial, commercial, or other business property owned by an individual, association, or corporation, and located in the Borough of Mount Pleasant, as hereinafter provided, or any such above described property which has been subject to an order by a government agency requiring the unit to be vacated, condemned, or demolished by reason of noncompliance with laws, ordinances or regulations.

(1) *Industrial property* - any property, the entire use of which is or will be devoted to commonly recognized industrial activities and which said property is located within any industrial zone within the Borough of Mount Pleasant.

(2) *Commercial property* - any property, the use of which is or will be devoted to commonly recognized commercial activities and which said property is located in any commercial zone within the Borough of Mount Pleasant.

(3) *Business property* - any property located in any zone under the Zoning Ordinance of the Borough of Mount Pleasant, other than the commercial or industrial zone, and which property is not a single family owner-occupied property, having buildings(s) on such property that are devoted to recognized industrial or commercial activities.

Improvement - repair, construction, or reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property, so that it becomes usable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with laws, ordinances or regulations governing such standards.

Local taxing authority - the Borough of Mount Pleasant, Mount Pleasant School District and Westmoreland County.

Local governing body - the Borough of Mount Pleasant.

(Ord. 602, --/2005, §1)

§24-602. Exemption Area.

The Council of the Borough of Mount Pleasant hereby designates the entire Borough of Mount Pleasant, Westmoreland County, Pennsylvania, to be a deteriorated area, eligible for tax exemption under the Act. All legally existing commercial, industrial or business properties are entitled to participate in this tax exemption program.

(Ord. 602, --/2005, §2)

§24-603. Exemption.

1. There is hereby exempted from all real property taxation for those eligible

properties, situated in the Borough, the taxation attributable to the assessed value of improvements to the same. This exemption shall apply only to those eligible properties where the improvements were commenced after January 5, 1992.

2. The exemption from taxes created hereunder shall be limited to additional assessment valuation attributable to 100 percent of the actual cost of improvements to the eligible property. The exemption shall be applicable beginning January 1 of the next calendar year following the calendar year in which the notification of reassessment is issued to the property owner by the assessment authorities, and shall continue for 5 years ending December 31 of the 5th calendar year.

3. The exemption from taxes granted under this Part shall be upon the property and shall not terminate upon the sale or exchange of the property.

4. If an eligible property is granted tax exemption pursuant to the Part, the improvement shall not, during the exemption period, be considered as a factor in assessing other comparable structures on properties in the immediate vicinity of the improved or new structure.

(*Ord. 602, --/2005, §3*)

§24-604. Maximum Exemption.

1. The exemption from real property taxes shall be limited:

A. To that portion of the additional assessment attributable to the actual cost of improvements to the eligible property.

B. To the assessment valuation attributable to the cost of construction or reconstruction of a new structure on the eligible property.

2. In all cases the exemption from taxes shall be limited to that portion of the additional assessment attributable to the improvement or new construction, as the case may be, and for which a separate assessment has been made by the County Board of Assessment Appeals upon each exemption separately requested. No tax exemption shall be granted if the property owner does not secure the necessary and proper construction permit issued by the Borough of Mount Pleasant prior to improving the property, except that improvements commenced between July 1, 1991, and the effective date of this Part, may be exempted or exonerated upon written application filed on or before a date which is within 90 days after the effective date of this Part. No tax exemption shall be granted if the improvement or new construction, as completed, does not comply with all applicable standards of the ordinances of the Borough of Mount Pleasant now in effect or as amended subsequent to the effective date of this Part.

(*Ord. 602, --/2005, §4*)

§24-605. Procedure for Obtaining Exemption.

1. Any person desiring tax exemption pursuant to this Part must apply in writing to the Borough of Mount Pleasant on the form furnished by the Borough of Mount Pleasant for construction of the improvement or new construction, as the case may be. The application must be in writing upon form(s) specified by the Borough, setting forth the following information:

A. Name and address of property owner.

B. The date the construction permit was issued for said improvements.

- C. The address of the property for which an exemption is being requested.
- D. The nature of the property to be improved.
- E. The nature of the improvements, construction or reconstruction.
- F. The summary of the plan of the improvements.
- G. The cost of the improvements.
- H. Indicate whether the property has been condemned by any governmental body for noncompliance with laws or ordinances.
- I. The property has been inspected and verified by the Code Enforcement Officer or his agent.
- J. Such additional information as the Borough may require.

2. There shall be printed on the form the following "Construction Permit Notification":

"NOTICE TO TAXPAYER"

Under the provisions of Ordinance No. 602 you may be entitled to exemption from real estate property tax on your contemplated improvement or new construction. An application for exemption may be secured from the Code Enforcement Officer, or other properly designated official and must be filed at the time the building permit is issued.

3. A copy of the exemption request shall be forwarded to the Westmoreland County Board of Assessment Office by the Code Enforcement Officer upon its approval, and when the improvements are completed said officer is to notify said assessment office. Upon notification from the Borough that the improvements comply with all applicable Borough Codes, said improvements shall be assessed separately and not taxed for the first 5 years starting January 1 immediately succeeding the completion of said improvements.

(Ord. 602, --/2005, §5)

§24-606. Termination Date.

This Part shall automatically expire and terminate on the date which is 10 years following the effective date of this Part; provided, however, that any taxpayer who has received or applied for the exemption granted by this Part prior to the expiration date herein provided, shall, if said exemption is granted, be entitled to the exemption for the full 5-year term authorized herein.

(Ord. 602, --/2005, §6)

