

## **Chapter 24**

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**Part 1****Per Capita Tax****§24-101. Imposition of Tax; Rate.**

In addition to the other taxes imposed by ordinance of the Borough of Red Lion, there is hereby imposed, for general Borough purposes, an annual tax of \$5 upon every resident of the Borough who shall have attained the age of 18 years on or before the first day of January of the year for which the tax is levied.

(*Ord. 264-2, 2/12/1964; as amended by Ord. 7212-8, 12/26/1972*)

**§24-102. Collection of Tax.**

Said tax shall be collected by the duly elected or appointed Tax Collector of Borough taxes for the Borough of Red Lion in the same manner and at the same times as other Borough taxes are collected, as provided by the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and supplemented.

(*Ord. 264-2, 2/12/1964; as amended by Ord. 7212-8, 12/26/1972*)

**§24-103. Liability for Payment; Notice.**

The Tax Collector, at the time of sending notice of other Borough taxes, shall send to each resident who shall have attained the age of 18 years, as set forth in §24-101, a notice of the per capita tax due by said resident for the fiscal year for which said tax is levied. Such notice shall be on a form prescribed or approved by the Borough Council; provided, that the failure or omission of the Tax Collector to send or of any taxpayer to receive such notice shall not relieve such person from the payment of such tax; provided further, that any person who shall become a resident of the Borough after the first day of the year for which said tax is levied shall not be liable for said per capita tax for that fiscal year, and any person who shall cease to be a resident of the Borough at any time after the first day of the year for which said tax is levied shall be liable for the full amount of the per capita tax for such year.

(*Ord. 264-2, 2/12/1964*)

**§24-104. Warrant for Collection.**

The entry of said per capita tax in the tax duplicate and issuance of said duplicate to the Tax Collector shall constitute a warrant for the collection of said per capita tax hereby levied and assessed.

(*Ord. 264-2, 2/12/1964*)

**§24-105. Compensation of Tax Collector.**

The expenses of collection and compensation of the Tax Collector shall be paid and allowed as provided in the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.* as amended and supplemented, which compensation shall be the same as fixed from time to time by the Borough of Red Lion for the collection of other Borough taxes.

(*Ord. 264-2, 2/12/1964*)

**§24-106. Notice to Taxpayers.**

The Tax Collector shall give notice to the taxpayer at the same time and in the same manner as provided by the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and supplemented.

(*Ord. 264-2, 2/12/1964*)

**§24-107. Collection by Distress.**

The Tax Collector shall be and is hereby empowered with the authority to collect said tax by distress and sell all goods and chattels of the taxpayer, as provided therefor by the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and supplemented.

(*Ord. 264-2, 2/12/1964*)

**§24-108. Wage Attachment.**

There is hereby conferred upon the Tax Collector the power and authority to demand, receive, and collect from all corporations, political subdivisions, associations, companies, firms, or individuals employing persons owing delinquent per capita taxes, or whose spouse owes delinquent taxes, or having in possession unpaid commissions or earnings belonging to any person owing delinquent per capita taxes, or whose spouse owes delinquent per capita taxes, upon the presentation to that employer of written notice and demand containing the name of the taxable, or the spouse thereof, and the amount of the tax due, following procedures and subject to the provisions and restrictions contained in §19 of the Local Tax Enabling Act, 53 P.S. §6919, as amended.

(*Ord. 264-2, 2/12/1964; as amended by Ord. 868-9, 8/13/1986*)

**§24-109. Discounts; Penalties.**

All taxpayers subject to the payment of the per capita taxes herein levied and assessed shall be entitled to a discount of 2 percent of the amount of such tax upon the payment of the whole amount within 2 months after the date of the tax notice. All taxpayers who fail to make payment of any such taxes charged against them for a period of 4 months after the date of the tax notice shall be charged a penalty of 10 percent, which penalty shall be added to the taxes by the Tax Collector and be collected by him.

(*Ord. 264-2, 2/12/1964; as amended by Ord. 9711-6, 11/12/1997, §189-9*)

**§24-110. Powers and Duties of Collector.**

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

(*Ord. 264-2, 2/12/1964*)

**§24-111. Effective Date; Re-enactment; Duration.**

This Part shall become effective January 1, 1975, and shall continue in force, without further annual re-enactment, on a calendar-year basis, unless the rate of the

tax shall be hereafter charged. This Part is enacted under the terms and provisions of the Local Tax Enabling Act, 53 P.S. §6901 *et seq.*, and its supplements and amendments.

(*Ord. 264-2, 2/12/1964; as amended by Ord. 7511-28, 11/12/1975*)

**§24-112. Violations and Penalties.**

Any person violating any provision of 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. 264-2, 2/12/1964; as amended by Ord. 9711-6, 11/12/1997, §189-12; and by Ord. 2009-09-02, 9/14/2009*)



**Part 2****Earned Income and Net Profits Tax****§24-201. Authority.**

This Part is enacted under the authority of 53 P.S. §6901, the Local Tax Enabling Act.

(*Ord. 7511-26, 11/12/1975; as added by Ord. 9711-6, 11/12/1997, §189-13*)

**§24-202. Imposition of Tax; Rate.**

A tax for general revenue purposes of  $\frac{1}{2}$  of 1 percent is hereby imposed on:

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

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 of Red Lion.

C. The net profits earned on and after January 1, 1975, by residents of the Borough of Red Lion.

D. The net profits earned on and after January 1, 1975, from the operation of a business, profession or other activity, except corporations, conducted in the Borough by nonresidents of the Borough of Red Lion.

(*Ord. 7511-26, 11/12/1975*)

**§24-203. Adoption of Standards by Reference.**

Section 13 of the Local Tax Enabling Act of 1965, P.L. 1257, 53 P.S. §6913, as amended, is hereby incorporated by reference into and made a part of this Part, to the same extent as if the full text of said section had been 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)(i) requiring an annual return and payment of the tax due on net profits for the preceding year, rather than the option set forth in Subsection III-A(1)(ii), requiring an annual declaration of estimated net profits and quarterly payments thereof.

B. In the case of earned income not subject to withholding, the Borough elects to operate under the option set forth in Subsection III-B(2) requiring annual quarterly returns with accompanying payment of the tax.

(*Ord. 7511-26, 11/12/1975; as amended by Ord. 9711-6, 11/12/1997, §189-15*)

**§24-204. Income Tax Officer.**

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

(*Ord. 7511-26, 11/12/1975*)

**§24-205. Cost of Collection.**

1. The Borough hereby approves and adopts the cost of collection schedule, attached hereto and made a part hereof, to be imposed by the York Area Tax Bureau, or such other tax collection entity hereafter designated by the Borough for the collection of local taxes, upon any taxpayer whose taxes are or become delinquent and/or remain due and unpaid; provided, however, that the Borough shall have the power to amend said fee schedule by resolution from time to time.

2. The York Area Tax Bureau, or such other tax collection entity designated by the Borough, is authorized to retain such costs of collection as set forth in the attached schedule in recovering delinquent taxes and as permitted to be assessed to delinquent taxpayers pursuant to law.

*(Ord. 7511-26, 11/12/1975; as added by Ord. 2005-08-04, 8/8/2005)*

**§24-206. Collection at Source.**

1. Every employer having an office, factory, workshop, branch, warehouse, or other place of business within the taxing jurisdiction imposing a tax on earned income or net profits within the taxing district who employs one or more persons, other than domestic servants, for a salary, wage, commission, or other compensation who has not previously registered shall, within 15 days after becoming an employer, register with the York Area Tax Bureau or other designated tax officer his name and address and such other information as the Borough may require.

2. Every employer having an office, factory, workshop, branch, warehouse, or other place of business within the taxing jurisdiction imposing a tax on earned income or net profits within the taxing district 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 return, 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 preceding 3-month period, the tax deducted therefrom and paid with the return. Any employer who for 2 of the preceding 4 quarterly periods has failed to deduct the proper tax or any part thereof or who has failed to pay over the proper amount of tax to the taxing authority may be required by the York Area Tax Bureau or designated tax officer to file his return and pay the tax monthly. In such cases, payments of tax shall be made to the York Area Tax Bureau or designated tax officer on or before the last day of the month succeeding the month for which the tax was withheld.

3. Every employer shall deduct or withhold from employees, exclusive of domestic servants and Maryland residents, at the following rates:

A. Resident taxpayers at the applicable rates imposed by the Borough of Red Lion and the Red Lion Area School District of the resident taxpayer's earned income and net profits.

B. Nonresident taxpayers at the rate of no less than 1 percent of the nonresident taxpayer's earned income and net profits.

4. 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.

B. A return withholding statement for each employee employed during all or any part of the period beginning January 1 of the current year and ending December 31 of the current year setting forth the employee's name, address, and 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 York Area Tax Bureau or designated tax officer. Every employer shall furnish two copies of the individual return to the employee for whom it is filed.

5. Any 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.

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

7. 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.

8. No employer shall be required to register, deduct, or withhold taxes, file returns or pay taxes with regard to domestic servants or residents of Maryland.

(*Ord. 7511-26*, 11/12/1975; as added by *Ord. 818-15*, 8/12/1981; and as amended by *Ord. 2005-08-03*, 8/8/2005)



**Part 3****Residency Privilege Tax****§24-301. Imposition of Tax; Rate.**

A residency privilege tax of \$5 per annum be and the same is hereby levied and assessed upon each resident or inhabitant of the Borough of Red Lion, York County, Pennsylvania, over the age of 18 years, for the privilege of being a resident of Red Lion Borough and receiving all of the services available to the residents of Red Lion Borough, York County, Pennsylvania.

(*Ord. 268-1, 2/7/1968; as amended by Ord. 731-1, 1/10/1973; and by Ord. 8412-8, 12/27/1984*)

**§24-302. Manner of Collection.**

Said tax shall be collected by the duly elected or appointed Tax Collector of Borough taxes for the Borough of Red Lion in the same manner and at the same time as other Borough taxes are collected, as provided by the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and supplemented.

(*Ord. 268-1, 2/7/1968*)

**§24-303. Bond of Collector.**

The Tax Collector shall give bond secured and conditioned for the collection of such taxes as provided by law for other Borough taxes.

(*Ord. 268-1, 2/7/1968*)

**§24-304. Warrant for Collection.**

The entry of the residency tax in the tax duplicate and issuance of said duplicate to the Tax Collector shall constitute his warrant for the collection of said residency tax hereby levied and assessed.

(*Ord. 268-1, 2/7/1968; as amended by Ord. 8412-8, 12/27/1984*)

**§24-305. Compensation of Collector.**

The expenses of collection and compensation of the Tax Collector shall be paid and allowed as provided in the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and supplemented, which compensation shall be the same and fixed from time to time by the Borough of Red Lion for the collection of other Borough taxes.

(*Ord. 268-1, 2/7/1968*)

**§24-306. Notice to Taxpayers.**

The Tax Collector shall give notice to the taxpayer at the same time and in the same manner as provided by the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and as supplemented.

(*Ord. 268-1, 2/7/1968*)

**§24-307. Collection by Distress.**

The Tax Collector shall be and is hereby empowered with the authority to collect said tax by distress and sell all goods and chattels of the taxpayer, as provided therefor by the Local Tax Collection Law of 1945, 72 P.S. §5511.1 *et seq.*, as amended and supplemented.

(*Ord. 268-1, 2/7/1968*)

**§24-308. Wage Attachment.**

There is hereby conferred upon the Tax Collector the power and authority to demand, receive and collect from all corporations, political subdivisions, associations, companies, firms, or individuals employing persons owing delinquent residency privilege taxes, or whose spouse owes delinquent residency privilege taxes, or having in possession unpaid commissions or earnings belonging to any person owing delinquent residency privilege taxes, or whose spouse owes delinquent residency privilege taxes, upon the presentation to that employer of written notice and demand containing the name of the taxable, or the spouse thereof, and the amount of the tax due, following procedures and subject to the provisions and restrictions contained in §19 of the Local Tax Enabling Act, 53 P.S. §6919, as amended.

(*Ord. 268-1, 2/7/1968; as amended by Ord. 868-10, 8/13/1986*)

**§24-309. Discounts; Penalties.**

All taxpayers subject to the payment of the residency taxes herein levied and assessed shall be entitled to a discount of 2 percent of the amount of such tax upon the payment of the whole amount within 2 months after the date of the tax notice. All taxpayers who fail to make payment of any such taxes charged against them for a period of 4 months after the date of the tax notice shall be charged a penalty of 10 percent, which penalty shall be added to the taxes by the Tax Collector and be collected by him.

(*Ord. 268-1, 2/7/1968; as amended by Ord. 9711-6, 11/12/1997, §189-26*)

**§24-310. Powers and Duties of Collector.**

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

(*Ord. 268-1, 2/7/1968*)

**§24-311. Effective Date; Duration of Tax.**

This Part shall become effective January 1, 1985, and shall continue in force, without further annual re-enactment, on a calendar-year basis, unless the rate of the tax shall be hereafter changed.

(*Ord. 268-1, 2/7/1968; as amended by Ord. 7511-27, 11/12/1975; and by Ord. 8412-8, 12/27/1984*)

**§24-312. Violations and Penalties.**

Any person violating any provision of 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. 268-1, 2/7/1968; as added by Ord. 9711-6, 11/12/1997, §189-29; and as amended by Ord. 2009-09-02, 9/14/2009*)



**Part 4****Local Services Tax****§24-401. Short Title.**

This Part shall be known and may be cited as the “Red Lion Borough Local Services Tax Ordinance.”

(Ord. 2007-11-10, 11/12/2007)

**§24-402. Definitions.**

1. 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:

*Act*—the Local Tax Enabling Act, 53 P.S. §6901 *et seq.*

*Borough*—the Borough of Red Lion, York County, Pennsylvania.

*Collector*—the person or firm from time to time designated by action of the Council of Red Lion Borough to collect and administer the provisions of this Part and collect the tax levied by this Part.

*DCED*—the Pennsylvania Department of Community and Economic Development.

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

*Income from all sources*—earned income and net profits, as defined by the Local Tax Enabling Act, 53 P.S. §6901 *et seq.*

*Individual*—any person, male or female, 18 years of age or over engaged in any occupation within the limits of the Borough of Red Lion.

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

*Place of employment*—the place in which the person maintains his or her principal office or is principally employed, as determined pursuant to the Act.

*Tax*—the local services tax adopted and levied by this Part.

2. “He,” “his,” or “him” shall include singular and plural number and male, female or neuter gender.

(Ord. 2007-11-10, 11/12/2007)

**§24-403. Levy; Exemption.**

The Borough of Red Lion hereby levies and imposes a tax in the amount of \$52 for the calendar year of 2008 and every calendar year thereafter on every individual whose place of employment is within the limits of the Borough of Red Lion. This tax is in

addition to all other taxes of any kind or nature heretofore levied by the Borough of Red Lion.

*(Ord. 2007-11-10, 11/12/2007)*

**§24-404. Individuals Engaged in More than One Occupation.**

1. In the event that an individual is engaged in more than one occupation or an occupation which requires working in more than one political subdivision during the calendar year, the priority of claim to collect the tax shall be in the following order:

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

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

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

2. The place of employment shall be determined as of the day the individual first becomes subject to a like tax during the calendar year. Any employer to whom an employee shows a receipt for a like tax for the calendar year from some other political subdivision or employer shall not be required to deduct this tax from the employee's wages, but shall include such employee on his return by setting forth his name, address, and the identification of the other political subdivision to whom the tax was paid or the employer who deducted the tax.

*(Ord. 2007-11-10, 11/12/2007)*

**§24-405. Self-Employed Individuals.**

All self-employed individuals engaged in any occupation within the Borough shall be required to comply with this Part and to pay the tax to the collector on April 15 or as soon thereafter as he engages in an occupation.

*(Ord. 2007-11-10, 11/12/2007)*

**§24-406. Residency Beyond Borough Limits.**

All employers and self-employed individuals residing or having their place of business outside the Borough, but who engage in any occupation 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 as a self-employed person, and in the event that this tax is not paid, the Borough shall have the option of proceeding against either the employee or employer for the collection of this tax as hereinafter provided in this Part.

*(Ord. 2007-11-10, 11/12/2007)*

**§24-407. Overpayments; Refunds.**

1. It is the intent of this Part that no person shall pay more than \$52 on this tax in any calendar year. In the event that, prior to his or her employment in the Borough in any calendar year, an employee has previously paid a local services tax in any other

political subdivision, then the employer shall refrain from withholding the tax, so long as the employee provides a recent pay statement from a principal employer whether within or outside of the Commonwealth that includes the name of the employer, the length of the payroll period, and the amount of the local services tax withheld, and a statement from the employee that the pay statement is from the employee's principal employer and that the employee will notify other employers of a change in the principal place of employment within 2 weeks of its occurrence. Forms for such notification shall be the same as those prepared by DCED, as required by the Act. It shall be the responsibility of the employer and the employee to provide such form properly completed to the Borough or its collector.

2. In the event that a person's employer within the Borough withholds this tax, and the person has previously paid a local services tax in another political subdivision pursuant to this Section, then, upon written request of the taxpayer, pursuant to regulations adopted by the Borough pursuant to §2(f)(9)(vii) of the Act, 53 P.S. §6902(f)(9)(vii), the Borough or its collection agent shall refund such overpayment, except that the Borough shall only be required to provide refunds for overpaid amounts that exceed \$1. Refunds made within 75 days of the refund request or within 75 days after the last day the employer is required to remit the tax for the last quarter of the calendar year, whichever is last, shall not be subject to interest. The amount of the refund shall be limited to the amount of any local services tax paid by the taxpayer in another political subdivision, but in no event shall exceed the amount of this tax as fixed by the Borough for the calendar year in which the refund was sought.

3. In the event that a person has in any calendar year previously paid a local services tax in another political subdivision, but such tax was less than \$52, then the taxpayer shall be liable for the difference between the tax actually paid in the other political subdivision and the amount due for this tax to the Borough.

4. The provisions of this Section shall not apply to any local services tax paid to the Red Lion Area School District.

*(Ord. 2007-11-10, 11/12/2007)*

#### **§24-408. Exemptions.**

1. The following persons shall be exempt from the tax:

A. Any person whose total earned income and net profits from all sources within the Borough is less than \$12,000 in the calendar year in which the tax is levied.

B. Any person who 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 triple amputee, or has a service-connected disability declared by the United States Veterans' Administration or its successor to be a 100 percent permanent disability.

C. 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.

2. A person seeking exemption from the tax pursuant to this Section may annually file an exemption certificate with the Borough and with his or her employer affirming that he or she reasonably expects to receive earned income and net profits

from all sources within the Borough of less than \$12,000 in the calendar year for which the exemption certificate is filed. The exemption certificate shall have attached to it a copy of all of the employee's last pay stubs or W-2 forms from employment within the Borough for the year prior to the year for which the exemption is requested. Upon receipt of the exemption certificate and until notified otherwise by the Borough, the employer shall not withhold the tax from the person for the calendar year, or the remainder of the calendar year, for which the exemption certificate applies. The exemption certificate shall be on a form prepared by DCED, pursuant to §2(e)(1) of the Act, 53 P.S. §6902(e)(1).

3. For any person who claims an exemption pursuant to this Section, upon notification to an employer by the person or by the Borough that the person has received earned income and net profits from all sources within the Borough equal to or in excess of \$12,000 in that calendar year, or that the person is otherwise ineligible for the exemption for that calendar year, or upon an employer's payment to the person of earned income within the Borough of \$12,000 or more in that calendar year, the employer shall withhold the tax from the person for the remainder of the calendar year, and shall withhold from the person, for the first payroll period after receipt of the notification or after the person equals or exceed \$12,000 in earned income, a lump sum equal to the amount of the tax not previously withheld in the current calendar year due to the exemption, 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 the calendar year shall be the same amount withheld for other employees.

*(Ord. 2007-11-10, 11/12/2007)*

#### **§24-409. Duties of Employers; Withholding of Tax.**

It shall be the duty of every employer within the Borough, or every employer of a person whose place of employment as defined in this Part is the Borough, to collect this tax from and on behalf of each such person whose place of employment is the Borough from the employee in the manner set forth in §2(f)(9)(i) of the Act, 53 P.S. §6902(f)(9)(i), which is by a pro rata share of the tax for each payroll period in which the employee is engaging in an occupation. The pro rata share of the tax assessed on a person shall be determined by dividing the combined rate of the tax levied for the calendar year by the number of payroll periods established by the employer for the calendar year, or, in the case of a person who becomes employed after the beginning of the calendar year, by the number of payroll periods remaining in the calendar year. In the event that the employment of a person is subsequently severed, the person shall be liable for any outstanding balance of the tax due to the Borough for that calendar year, which the Borough may collect as permitted by law.

*(Ord. 2007-11-10, 11/12/2007)*

#### **§24-410. Collector.**

The Borough hereby designates the York Area Tax Bureau (YATB) as its collector for this tax. YATB's current mailing address is: 1415 North Duke Street, P.O. Box 15627, York, PA 17405-0156. The designated collector may be changed from time to time by resolution adopted by the Borough.

*(Ord. 2007-11-10, 11/12/2007)*

**§24-411. Amendments by Resolution.**

The designated collector, as set forth in §24-410, may be amended by the Borough from time to time by resolution.

(*Ord. 2007-11-10, 11/12/2007*)

**§24-412. Remission of Tax; Liability.**

1. It shall be the responsibility of every employer of every taxpayer whose place of employment is in the Borough to collect and remit said taxes to the Borough's collection agent by no later than 30 days after the end of each quarter of a calendar year. Nothing in this Section or this Part is intended, or shall be construed, to relieve any taxpayer whose place of employment is the Borough from the responsibility and liability for the payment of this tax. In the event that any such taxpayer's employer fails to collect or remit such tax to the Borough or its collection agent, then it shall be the responsibility of the taxpayer to do so.

2. Notwithstanding the provisions of this Part, no employer shall be held liable for failure to withhold the tax or for the payment of the withheld tax money to the Borough if the failure to withhold the tax 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. An employer shall also not be liable for payment of the tax in an amount exceeding the amount withheld by the employer if the employer complies with the provisions of §§2, 2(e), and 2(f)(9) of the Act, 53 P.S. §§6902, 6902(e) and 6902(f)(9).

(*Ord. 2007-11-10, 11/12/2007*)

**§24-413. Permitted Uses of Tax.**

The Borough Council shall, in their sole discretion, determine the use of the revenues generated by this tax, except that the use shall be limited to one or more of the following purposes and amounts: [*Ord. 2009-09-02*]

A. Emergency services, which shall include emergency medical, police and/or fire services; provided that at least 25 percent of the funds derived from the tax shall be used for this purpose.

B. Road construction and/or maintenance.

C. Reduction of property taxes.

D. Property tax relief in the event that the Borough implements a homestead and farmstead exclusion in accordance with 53 Pa.C.S., Chapter 85, subchapter P, (relating to homestead property exclusion), and §22.6 of the Act.

E. Any other uses permitted by law.

(*Ord. 2007-11-10, 11/12/2007; as amended by Ord. 2009-09-02, 9/14/2009*)

**§24-414. Penalties; Enforcement; Collection Actions.**

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 the said tax, and an additional penalty of 10 percent shall be added to the flat rate of said tax for nonpayment thereof.

2. Subject to the limitations of §24-412, and of the Act, any person, employee,

employer, partnership, corporation, or any other entity, which violates any of the provisions of 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, together with the tax and all costs of collection, 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. 2009-09-02]

3. In addition to the penalties in subsection .1, the Borough and its collection agent shall be entitled to any and all civil remedies available by law for the collection of such tax, and shall be entitled to all costs of collection and attorney's fees, The Borough and its collection agent are further authorized to collect this tax by any other lawful means available to them, whether in law or equity.

4. The Borough specifically authorizes its collection agent to act on its behalf and as its agent to collect all such taxes pursuant to this Section and this Part, and to initiate and prosecute on its behalf any summary criminal actions pursuant to subsection .1, and any other legal actions or remedies as authorized in subsections .2 and .3.

(Ord. 2007-11-10, 11/12/2007; as amended by Ord. 2009-09-02, 9/14/2009)

**§24-415. Administration of Tax.**

1. 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 or self-employed person, together with the date the tax was received, and to turn payments received over to the Borough.

2. The collector is hereby charged with the administration and enforcement of this Part and 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 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 collector shall have the right to appeal to the Court of Common Pleas of York County as in other cases provided.

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. 2007-11-10, 11/12/2007)

**Part 5****Realty Transfer Tax****§24-501. Title.**

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

(*Ord. 872-3, 2/11/1987*)

**§24-502. Authority.**

A realty transfer tax for general revenue purposes is hereby imposed upon the transfer of real estate or interest in real estate situate within Red Lion 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.*

(*Ord. 872-3, 2/11/1987*)

**§24-503. 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, devises, vests, confirms, or evidences any transfer or devise of title to real estate, but does not include wills, mortgages, deeds or trust, or other instruments or 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 §24-405 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 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 the interests in the partnership are continuously owned by members of the same family. 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.

[Ord. 9711-6]

*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 or any of the foregoing and the estate of any of the foregoing.

*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 Red Lion 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 or 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 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 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 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 developed by the Pennsylvania Department of Revenue for Pennsylvania realty transfer tax base calculations or a commensurate part of the assessment where the assessment includes other real estate. [Ord. 9711-6]

(3) In the case of an easement or other interest in real estate the value of which is not determinable under subparagraph (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. 872-3, 2/11/1987; as amended by Ord. 9711-6, 11/12/1997, §189-45)

**§24-504. 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 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 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, 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 Red Lion Borough under the authority of that 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 rate shall become effective without any action on the part of Red Lion Borough; provided, however, that Red Lion 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, 53 P.S. §6901 *et seq.*

4. The tax imposed under subsection .1 above 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, Township, 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. [*Ord. 2009-09-02*]

5. Any tax imposed under subsection .1 that is not paid by the date 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. 2009-09-02*]

(*Ord. 872-3, 2/11/1987; as amended by Ord. 2009-09-02, 9/14/2009*)

**§24-505. 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. 872-3, 2/11/1987*)

**§24-506. Excluded Transactions.**

1. The tax imposed by §24-402 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 that said reconveyance is made within 1 year from the date of condemnation.

B. A document which the Red Lion 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's 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 cetenants; 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 that 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 or 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 or 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, 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 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 clause.

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 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.

N. 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.

O. A transfer from a nonprofit industrial development agency or authority to a grantee purchasing directly from it, but only if 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 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 is 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 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 or a transfer from such a conservancy to the United States, the Commonwealth, or to any of their instrumentalities, agencies, or political subdivisions. [Ord. 9711-6]

S. 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. [*Ord. 9711-6*]

T. 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. [*Ord. 9711-6*]

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

V. Leases for the production or 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. 872-3, 2/11/1987; as amended by Ord. 9711-6, 11/12/1997, §189-48*)

#### **§24-507. Documents of Transfer or Devise.**

Except as otherwise provided in §24-508, documents which make, confirm, or evidence any transfer or devise 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 associations are entities separate from their members, partners, stockholders, or shareholders.

(*Ord. 872-3, 2/11/1987*)

#### **§24-508. 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 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. 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.

4. 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. [*Ord. 9711-6*]

(*Ord. 872-3, 2/11/1987; as amended by Ord. 9711-6, 11/12/1997, §189-50*)

**§24-509. 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 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 or tax due, no refund or carry-over credit shall be allowed.

(*Ord. 872-3, 2/11/1987*)

**§24-510. 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. 872-3, 2/11/1987*)

**§24-511. 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 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. 872-3, 2/11/1987*)

**§24-512. 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 agency for the local realty transfer tax, including any amount payable to Red Lion Borough based on the determination of tax due by the Commonwealth of Pennsylvania of the Pennsylvania realty transfer tax,

without compensation from Red Lion Borough.

2. In order to ascertain the amount of 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 are due each municipality.

3. On or before the tenth of each month, the Recorder shall pay over to Red Lion Borough all local realty transfer taxes collected less 2 percent for use of the 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 the County.

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

*(Ord. 872-3, 2/11/1987)*

**§24-513. 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 the 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. 872-3, 2/11/1987)*

**§24-514. Penalty.**

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 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 in the aggregate.

*(Ord. 872-3, 2/11/1987)*

**§24-515. Lien.**

The tax imposed by this Part shall become a lien upon the lands, tenements, or

hereditaments or any interest therein lying or being situated wholly or in part within the boundaries of the Red Lion 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 York 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. 872-3, 2/11/1987*)

**§24-516. 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. 872-3, 2/11/1987*)

**§24-517. Regulations.**

The Recorder of Deeds of York County, Pennsylvania, 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. 872-3, 2/11/1987; as amended by Ord. 2009-09-02, 9/14/2009*)

**§24-518. Violations and Penalties.**

Any person who shall violate the provisions of 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. 872-3, 2/11/1987; as added by Ord. 9711-6, 11/12/1997, §189-60; and as amended by Ord. 2009-09-02, 9/14/2009*)

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**Part 6****Real Estate Tax Certification****§24-601. Purpose.**

The Borough Council finds that the efficient and orderly transfer of real estate within Red Lion Borough requires that the purchasers of real estate or their representatives be able to determine the status of real estate tax payments on property within the Borough.

*(Ord. 933-7, 3/10/1993)*

**§24-602. Authority of Tax Collector.**

The duly elected or appointed Tax Collector of Red Lion Borough from time to time serving is designated as the Borough official authorized to issue in the form of a certification the status of real estate tax payments on all real estate within Red Lion Borough.

*(Ord. 933-7, 3/10/1993)*

**§24-603. Fee.**

The Borough Council shall by resolution establish the fee or charge to be paid to the Borough for a certification for each tax parcel of real estate. Such fee or charge shall be collected and retained by the Tax Collector as compensation for providing the service authorized by this Part.

*(Ord. 933-7, 3/10/1993)*



**Part 7****Exemption for Certain Deteriorated Property****§24-701. Definitions.**

As used in this Part, the following words and phrases shall have the meaning set forth below unless the context clearly indicates otherwise:

*Borough*—the Borough of Red Lion.

*Council*—the Council of the Borough of Red Lion.

*Deteriorated property*—any industrial property owned by an individual, association, or corporation and located in a deteriorated area, as initially set forth in this Part or added by subsequent ordinance of Council, or any such property which has been the subject of an order by the Borough requiring the unit to be vacated, condemned, or demolished by reason of noncompliance with laws, ordinances, or regulations.

*Improvement* - Repair, construction, or reconstruction, including alterations or additions, having the effect of rehabilitating a deteriorated or vacant property so that it becomes habitable or attains higher standards of safety, health, economic use, or amenity or is brought into compliance with laws, ordinances, or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

*Industrial property*—property for which the principal use of the property is for a large enclosed processing establishment, heavy storage service, research laboratory, light manufacturing, lace or clothing manufacture, general manufacturing, assembly of electronic apparatus, instrument making, tool and die making, cabinet and furniture making, and any similar use. In case of doubt as to whether a use qualifies as industrial property, the Borough Council shall make the final determination after conducting a public hearing on the issue and obtaining recommendations from the Red Lion Borough Planning Commission and Red Lion Borough Redevelopment Commission.

*Local governing body*—the Borough Council of the Borough of Red Lion. [Ord. 2009-09-02]

*Local taxing authority*—the Borough of Red Lion and the Red Lion Area School District.

(Ord. 9811-7, 11/9/1998; as amended by Ord. 2009-09-02, 9/14/2009)

**§24-702. Exemption Area.**

1. The Council of the Borough of Red Lion hereby designates as a deteriorated area the following:

A. Areas which are located in an Industrial Zoning District, as set forth on the official Zoning Map of the Borough of Red Lion.

B. Areas which are located in the Borough Center Zoning District, as set forth on the official Zoning Map of the Borough of Red Lion.

C. Areas which are located in a Commercial Zoning District, as set forth on

the official Zoning Map of the Borough of Red Lion.

2. The following property located in these areas shall be eligible to participate in this program:

A. Industrial property as defined in §24-701.

B. Any property located in the Borough Center or Commercial Zoning District for which the principal use of the property is as follows: retail store or shop; personal service business; professional or business office; eating establishment (drive-in or restaurant); laundry and dry-cleaning establishment (non-coin-operated); small-type processing establishment, i.e., with 2,000 square feet or less of gross ground floor (e.g., optician, shoe repair shop); multi-use building; public buildings and facilities; public utility buildings; apartment in conjunction with commercial establishment; medical clinic or laboratories; bed-and-breakfast inn; shopping center, shopping mall, or shopping plaza; commercial recreation establishment; public or semipublic parking lot; funeral home; commercial parking lot or building; tavern; commercial school; club room; club grounds; meeting hall; motel; hotel. In case of doubt as to whether a use qualifies under this Section, the Borough Council shall make the final determination after conducting a public hearing on the issue and obtaining recommendations from the Red Lion Borough Planning Commission and Red Lion Borough Redevelopment Commission.

(Ord. 9811-7, 11/9/1998; as amended by Ord. 2000-09-8, 9/11/2000)

**§24-703. Exemption Amount.**

1. The amount to be exempted shall be limited to the additional assessment valuation attributable to the actual costs of improvements to deteriorated property.

2. The exemption shall be limited to that improvement for which an exemption has been requested in the manner set forth below and for which a separate assessment has been made by the local taxing authority.

(Ord. 9811-7, 11/9/1998)

**§24-704. Exemption Schedule.**

1. The percentage of additional assessment attributable to the improvements to the property exempted from real estate taxes is as follows:

Length (year)	Portion (percent)
First	100%
Second	90%
Third	80%
Fourth	70%
Fifth	60%
Sixth	50%
Seventh	40%
Eighth	30%

Length (year)	Portion (percent)
Ninth	20%
Tenth	10%

2. The exemption from taxes granted under this Part shall be upon the property and shall continue upon the sale or exchange of the property.  
 (Ord. 9811-7, 11/9/1998)

**§24-705. Notice to Taxpayers.**

1. There shall be placed on or attached with the application for the building, zoning, and alteration permits issued by the Borough the following:

Notice to Taxpayers

Under the provisions of Ordinance No. \_\_\_\_\_ you may be entitled to a property tax exemption on your contemplated alteration or new construction. An application for exemption may be secured from the Borough office and must be filed with the Borough at the time a building permit is secured.

2. At the time a building or alteration permit is secured for the construction of an improvement for which an exemption is requested, the taxpayer shall apply to the Borough Council or any successor agency thereto for the exemption provided for in this Part. Request for the exemption must be in writing certified in full as prescribed by the Borough setting forth the following information:

- A. The current use or uses for the entire property.
- B. The date the building permit or alteration permit was issued for said improvements.
- C. The type of improvement.
- D. The summary of the plan of the improvement.
- E. The cost of the improvement.
- F. Any or all such additional information required.

(Ord. 9811-7, 11/9/1998)

**§24-706. Procedure for Obtaining Exemption.**

A copy of the request for exemption shall be forwarded to the York County Assessment Office by the Borough. Upon completion of the improvement or new construction, the taxpayer shall notify the Council so that the Council may have the Assessor assess the improvements separately for the purpose of calculating the amount of assessment eligible for tax exemption in accordance with the limits established in this Part. The Borough will then obtain from the York County Assessor the amount of the assessment eligible for exemption and will notify the taxpayer. Appeals from the reassessment and the amount eligible for the exemption may be taken by the taxpayer or the Borough as provided by law governing assessment appeals.

(Ord. 9811-7, 11/9/1998)

**§24-707. Termination.**

Unless otherwise modified by Council, this Part shall remain in effect until repealed. Nothing contained herein shall act to prohibit the Council of the Borough of Red Lion from enacting a similar ordinance or modifying this one. Any property tax exemptions granted under the provisions of this Part shall be permitted to continue according to the exemption schedule even if this Part is repealed or modified.

*(Ord. 9811-7, 11/9/1998)*

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**Part 8****Local Taxpayers Bill of Rights****§24-801. Adoption of Rules and Regulations.**

The rules and regulations attached hereto as Schedule A<sup>1</sup> and incorporated herein are hereby approved and adopted.

(Ord. 995-6, 5/10/1999)

**§24-802. Adoption of Disclosure Statement.**

The disclosure statement, substantially in the form set forth in Schedule B<sup>2</sup> attached hereto and incorporated herein, is hereby approved and adopted.

(Ord. 995-6, 5/10/1999)

**§24-803. Adoption of Form of Petition or Appeal and Refund.**

The form of petition for appeal and refund, substantially in the form set forth in Schedule C<sup>3</sup> attached hereto and incorporated herein, is hereby approved and adopted.

(Ord. 995-6, 5/10/1999)

**§24-804. Hearing of Administrative Appeals.**

The governing body hereby determines that administrative appeal procedures relating to petitions for appeal and refund submitted by taxpayers in connection with the assessment, determination, or refund of an eligible tax under the Local Taxpayers Bill of Rights (LTBR) shall be undertaken by the governing body in executive session or the tax collection agency for Red Lion Borough.

(Ord. 995-6, 5/10/1999)

**§24-805. Adoption of Administrative Appeal Procedures.**

The administrative appeal procedures set forth therein substantially in the form set forth in Schedule D,<sup>4</sup> attached hereto and incorporated herein, are hereby approved and adopted.

(Ord. 995-6, 5/10/1999)

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<sup>1</sup>Editor's Note: Schedule A is on file in the Borough offices.

<sup>2</sup>Editor's Note: Schedule B is on file in the Borough offices.

<sup>3</sup>Editor's Note: Schedule C is on file in the Borough offices.

<sup>4</sup>Editor's Note: Schedule D is on file in the Borough offices.



**Part 9****Keystone Opportunity Expansion Zone Exemption****§24-901. Establishment of Zone.**

Effective as of January 1, 2001, contingent only upon the Department of Community and Economic Development (DCED)'s approval of the application for the proposed Keystone Opportunity Expansion Zone, the following provisions shall apply:

A. Real property in the proposed Keystone Opportunity Expansion Zone is exempt from the payment of all property taxes in accordance with the provisions and limitations hereinafter set forth within the boundaries of the proposed Keystone Opportunity Expansion Zone in accordance with the Pennsylvania Keystone Economic Opportunity Zone Act, 73 P.S. §820.302 *et seq.*, for a period of 13 years, commencing January 1, 2001.

B. Red Lion Borough Tax Map 5, Parcel 1, comprising lots 1, 3, 4, 5, and 6, as shown on a plan recorded in the Office of the Recorder of Deeds of York County in Plan Book MM, Page 760, incorporated by reference, containing 13.590 acres in size and known as "Red Lion Industrial Park," is hereby designated as an area constituting a portion of the Keystone Opportunity Expansion Zone that is experiencing economic distress characterized by low investment of new capital and underutilized industrial property.

C. The "Neely Site," of approximately 6 acres as defined by Tax Map 2, Parcel 210, located off East Broadway, is hereby designated as an area constituting a portion of the Keystone Opportunity Expansion Zone that is experiencing economic distress characterized by low investment of new capital and underutilized industrial property.

(*Ord. 2001-03-05, 3/12/2001*)

**§24-902. Amount of Exemption.**

The exemption shall be 100 percent of the real property taxation on the assessed valuation of property within the proposed Keystone Opportunity Expansion Zone.

(*Ord. 2001-03-05, 3/12/2001*)

**§24-903. Exemptions from Other Taxes.**

This Part also waives, if applicable, the collection of business gross receipts tax or operations conducted by a qualified business; and net profits of a qualified business received by a resident or nonresident of the proposed Keystone Opportunity Expansion Zone attributable to business activity conducted within the proposed Keystone Opportunity Expansion Zone.

(*Ord. 2001-03-05, 3/12/2001*)

**§24-904. Incorporation of Other Provisions by Reference.**

The provisions of the Act not herein enumerated shall, nevertheless, be incorporated as part of this Part by reference.

*(Ord. 2001-03-05, 3/12/2001)*