

RESOLUTION 79-2

BE IT AND IT HEREBY IS by the Board of Supervisors of West Bradford Township, RESOLVED:

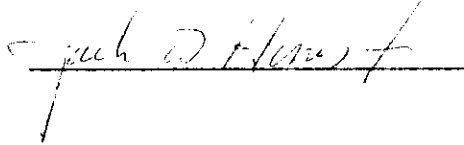
WHEREAS, by Ordinance No. 71-4 Earned Income Tax Ordinance provides that rules and regulations for the collection of the tax shall be approved by Resolution.

WHEREAS, according to Act 511 the Tax Enabling Act "No rule or regulation of any kind shall be enforceable unless it has been approved by resolution of the governing body. A copy of such rules and regulations currently in force shall be available for public inspection".

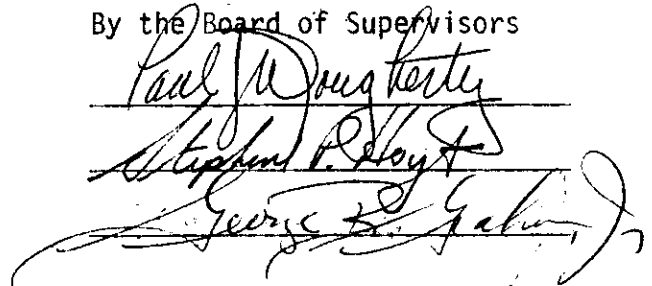
WHEREAS, Berkheimer Associates, collectors of the earned income tax for West Bradford Township has provided West Bradford Township with a list of rules and regulations for the collection of earned income tax.

NOW, THEREFORE, BE IT AND IT HEREBY IS by the Board of Supervisors that the rules and regulations as promulgated by Berkheimer Associates and attached hereto are hereby adopted by West Bradford Township.

ATTEST:

  
\_\_\_\_\_

By the Board of Supervisors

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

BERKHEIMER ASSOCIATES  
EARNED INCOME TAX ADMINISTRATOR

EARNED INCOME AND PROFITS TAX REGULATIONS

TAXABLE INCOME: THE ITEMS OF COMPENSATION LISTED BELOW ARE TAXABLE.

1. SALARIES
2. WAGES
3. COMMISSIONS
4. BONUSES
5. TIPS
6. STIPENDS
7. FEES
8. INCENTIVE PAYMENTS
9. DRAWING ACCOUNTS (IF AMOUNTS RECEIVED AS A DRAWING ACCOUNT EXCEED THE SALARIES OR COMMISSIONS EARNED, THE TAX IS PAYABLE ON THE AMOUNTS RECEIVED. IF THE EMPLOYEE SUBSEQUENTLY REPAYS TO THE EMPLOYER ANY AMOUNTS NOT IN FACT EARNED, THE TAX SHALL BE ADJUSTED ACCORDINGLY.)
10. BENEFITS ACCRUING FROM THE EMPLOYMENT, SUCH AS: ANNUAL LEAVE, VACATION, HOLIDAY, SEPARATION, AND SABBATICAL LEAVE, AND PAYMENTS FROM UNION HEALTH AND WELFARE BENEFIT FUNDS.
11. INCOME FROM PATENTS AND ROYALTIES.
12. COMPENSATION RECEIVED IN THE FORM OF PROPERTY SHALL BE TAXED AT ITS FAIR MARKET VALUE AT THE TIME OF RECEIPT.
13. JURY DUTY.
14. PAYMENTS RECEIVED FROM WEEKEND MEETINGS FOR NATIONAL GUARD OR RESERVE UNITS.
15. SICK PAY, IF EMPLOYEE RECEIVED A REGULAR SALARY DURING PERIOD OF SICKNESS OR DISABILITY BY VIRTUE OF HIS AGREEMENT OF EMPLOYMENT.
16. TAXES ASSUMED BY THE EMPLOYER.

NON-TAXABLE INCOME:

1. SOCIAL SECURITY BENEFITS
2. UNEMPLOYMENT COMPENSATION
3. PENSIONS
4. PUBLIC ASSISTANCE
5. DEATH BENEFITS
6. GIFTS
7. INTEREST
8. DIVIDENDS
9. BOARD AND LODGING TO EMPLOYEES FOR CONVENIENCE OF EMPLOYER
10. LOTTERY WINNINGS
11. SUPPLEMENTARY UNEMPLOYMENT BENEFITS (SUB PAY)
12. CAPITAL GAINS (CAPITAL LOSSES MAY NOT BE USED AS A DEDUCTION AGAINST OTHER TAXABLE INCOME)
13. SICK OR DISABILITY BENEFITS (PERIODICAL PAYMENTS RECEIVED BY AN INDIVIDUAL UNDER A SICKNESS OR DISABILITY INSURANCE PLAN.)
14. ACTIVE MILITARY SERVICE AND SUMMER ENCAMPMENT.

ADDITIONAL INFORMATION:

1. RENT: IF INDIVIDUALS OWN PROPERTIES OTHER THAN THOSE IN WHICH THEY LIVE, AND RENT THEM, THE NET PROFITS DERIVED FROM THESE RENTALS ARE TAXABLE.
2. HOME OFFICE EXPENSE: WOULD BE ALLOWABLE PROVIDED A LETTER IS SUBMITTED ON EMPLOYER'S LETTERHEAD STATING IN DETAIL WHY OFFICE IS NECESSARY IN ORDER TO WORK FOR THE EMPLOYER. LETTER MUST BE SIGNED BY AN OFFICER OR OWNER OF THE COMPANY.
3. OUTSIDE SALESMEN: OVERNIGHT LODGING, MILEAGE, AND OTHER NECESSARY BUSINESS EXPENSE IS ALLOWED AS A DEDUCTION, IF NOT REIMBURSED BY EMPLOYER.
4. DISALLOWED EXPENSES: (ALL ARE CONSIDERED PERSONAL)
  - A. DUES TO UNIONS OR PROFESSIONAL SOCIETIES
  - B. UNIFORMS AND WORK CLOTHING
  - C. TUITION FEES
  - D. EDUCATION EXPENSES TO ACHIEVE CERTIFICATION OR TO IMPROVE EARNING ABILITIES
  - E. EMPLOYMENT FEES
  - F. MOVING EXPENSE (NOT TAXABLE IF SHOWN ON W-2 AS OTHER INCOME)
5. CONSTRUCTION WORKERS AND TRUCKDRIVERS: ALLOWABLE EXPENSES
  - A. CONSTRUCTION WORKER MAY USE AS A DEDUCTION, MILEAGE EXPENSES INCURRED BETWEEN JOB SITES ON THE SAME DAY.
  - B. EXPENSES INCURRED WHEN INDIVIDUAL IS AWAY FROM HOME "OVERNIGHT". "OVERNIGHT", IS A TIME PERIOD SUBSTANTIALLY LONGER THAN AN ORDINARY DAY'S WORK THAT REQUIRES RELIEF FROM DUTY TO OBTAIN SLEEP OR REST AWAY FROM HOME. BOTH CLASSES OF TAXPAYERS SHOULD HAVE RECEIPTS OF LODGING. TRUCK DRIVERS SHOULD LOG BOOKS TO SUPPORT THEIR CLAIM.
  - C. ALL OTHER EXPENSES DISALLOWED.
6. SELF EMPLOYMENT LOSS: MAY BE DEDUCTED FROM TAXPAYER'S SALARY OR WAGE. SELF EMPLOYMENT PROFIT MUST BE ADDED TO TAXPAYER'S SALARY OR WAGE.
7. PAYMENTS TO INDIVIDUAL RETIREMENT PROGRAMS: ARE NOT DEDUCTIBLE
  1. KEOGH
  2. TAX SHELTER ANNUITY
  3. I. R. A.
8. EVERY PERSON, WHEN REQUESTED TO DO SO, MUST FILE A FINAL RETURN EVEN IF HE HAD NO EARNINGS, IF ALL TAX WAS WITHHELD, OR IF ALL TAX IS DUE AND PAYABLE ON A FINAL RETURN.
9. JOINT RETURNS MAY NOT BE FILED!