

**TOWNSHIP OF CHESTER
DELAWARE COUNTY, PENNSYLVANIA**

ORDINANCE NO. 02-2019

AN ORDINANCE OF THE TOWNSHIP OF CHESTER, DELAWARE COUNTY, PENNSYLVANIA, AMENDING THE PROVISIONS OF THE BUSINESS PRIVILEGE TAX, TO CHANGE THE CERTIFICATE FEE, THE MINIMUM AMOUNT OF TAXATION, THE CERTIFICATE & TAXATION DUE DATE, THE PERCENTAGE OF THE METHOD OF RECOVERY AND VIOLATIONS AND PENALTIES.

THE COUNCIL OF THE TOWNSHIP OF CHESTER DOES ORDAIN:

Section 1. That it does hereby amend the Business Tax for the year 2020, and thereafter as set forth in Part 4 of the Tax Code of the Township of Chester, Delaware County, Pennsylvania, as supplemented and amended in, its entirety, which imposes a tax for all services, businesses, trades, occupations or professions engaging in business within the Township of Chester:

1. Section 402 is amended to include the following:

§402. Landlords, real estate agents, financial advisors, movie industry operators, production and distributors, restaurants, repair shops, pharmacies, service stations, food vendors, mobile food vendors.

2. Section 403 is amended to read as follows:

§403. Registration. For the tax year beginning January 1, 2020 and each tax year thereafter, every person desiring to continue to engage in or hereafter to begin to engage in a business, trade, occupation or profession at an actual place of business in the Township shall, on or before the 31st day of January of the tax year or prior to commencing business in such tax year, make application for registration for each location of business in the Township, and if such person has no physical location of business in the Township, then one (1) registration, with the Collector. Such registration shall be made by the completion of an application furnished by the Collector and the payment of a fee of twenty-five dollars (\$25.00). The fee is not reduced pro rata by the portion of the registration year elapsed in the year procured. Each application for registration shall be signed by the applicant if a natural person, and in the case of an association or a partnership, by a member or partner thereof, and in certificate of registration from the Collector, which shall not be assignable. An additional twenty-five dollars (\$25.00) penalty fee will be imposed for failure to obtain and/or renew a certificate of registration annually on or before the January 31st due date. In the case of loss, defacement or destruction of any certificate of registration, the person to whom the certificate was issued shall apply to the Collector for a new certificate, for which a fee of fifteen dollars (\$15.00) shall be charged.

3. Section 404 is amended to read as follows:

§404. Taxation. Every person engaging in a business, trade occupation or profession within the corporate limits of the Township of Chester, shall pay an annual business privilege tax for the year beginning January 1, 2020 and each year thereafter, based on such person's gross receipts at the following rates: two (2) mills on all service/rental connected businesses, trades, occupations or professions; one and one-half (1 ½) mills on all retail businesses, trades, occupations or professions; and one (1) mill on all wholesale businesses, trades, occupations or professions; provided, however, that in no event shall the annual business privilege tax herein imposed be less than thirty-five dollars (\$35.00)

Each year's tax has two (2) required tax filings; (1) the current year's estimated tax return and (2) the prior tax year's final tax return. The current year's estimated tax is based on the gross receipts reported from the previous tax year. The final/actual tax return is a reconciliation of the prior tax year less the estimated taxes paid to arrive at the tax due amount.

Temporary and Seasonal business must report gross receipts of sales and file tax return 30 days after operations cease for the seasonal or temporary operations.

4. Section 405.5 is amended to read as follows:

§405.5 Computation of Tax. At the end of the tax year and on or before May 15th of the following year, every person subject to the tax hereby imposed shall make a return to the Collector for the Township or their designee of the actual gross receipts of the taxpayer during the period for which the taxpayer is subject to the tax. Such final return shall state the amount of the gross receipts as set forth in the first return, the amount of the tax paid at the time of filing the first return and the amount of the tax due upon the final computation.

5. Section 406.2 is amended as follows:

§406.2 Returns. Every person subject to the tax imposed by this Part who has commenced business at least one (1) full year prior to the beginning of the tax year shall, on or before the fifteenth (15th) day of May following file with the Collector a tax return setting forth such person's name, business and business address and such other information as may be necessary to compute the actual gross receipts of such person during the preceding year and the amount of tax estimated to be due.

6. Section 406.3 is amended to read as follows:

§406.3 Returns. Every person subject to the tax imposed by this Part who has commenced business less than one (1) full year prior to the beginning of the Tax year shall, on or before the fifteenth (15th) day of May following, file with the Collector a return setting forth such person's name, business and business address and such other information as may be necessary to compute the actual gross receipts of such person during the preceding year and the amount of tax estimated to be due.

7. Section 406.6 is amended to read as follows:

§406.6 Returns. On or before May 15th of the year following the tax year, every person, subject to the tax hereby imposed shall make a final return as required by §405(E) hereof.

The Township of Chester will recognize federal extension of time to file a final/actual tax return. A copy of the federal extension (Form 7004) must be filed with the Collector by the May 15th tax due date to avoid imposition of penalty and/or interest for late filing. Businesses on federal extension must file return within 30 days of their federal tax deadline on any extension granted. No extension of time is granted on estimated tax returns for each year.

8. Section 409.2 is amended to read as follows:

§409.2 Method of Recovery. All taxes due under this Part shall bear interest at the rate of one and a quarter percent (1.25%) per month or fractional part of a month from the day they are due and payable until paid. If any taxpayer shall neglect or refuse to make any return or payment as herein required, an additional penalty of ten percent (10%) of the amount of the tax shall be added by the Collector and collected.

9. Section 411 is amended to read as follows:

§411 Violations, Interest on Underpayment and Penalties.

§411.1 Penalty. If any amount of tax imposed by the Tax Code is not paid on or before the last date prescribed for payment, there shall be added to the tax for the taxable year an amount equal to 10% of the amount of the tax due. Except as provided by state law, penalty is mandatory and will not be abated.”

§411.2 Fine. Any Taxpayer (including any officer, agent, or employee thereof) who knowingly fails to obtain a license, fails to remit any tax due, fails to file complete and correct reports or returns when due, or makes a false or fraudulent return, may be subjected to a fine of \$300.00 for each offense and costs or enforcement, and in default of payment of such fine and costs, to imprisonment for a term not exceeding 30 days.”


Section 2: Severability: The provisions of this Ordinance are severable, and if any sections, sentences, clauses, parts or provisions thereof shall be held illegal, invalid or unconstitutional by any Court of competent jurisdiction, such decision of the Court shall not affect or impair the remaining sections, sentences, clauses, parts or provisions of this Ordinance. It is hereby declared to be the intent of the Township Council that this Ordinance would have been adopted as if such illegal, invalid or unconstitutional, sections, sentences, clauses, parts or provisions had not been included therein.

Section 3: Saving Provision: Nothing in this Ordinance, as hereby amended, shall be construed to affect any suit or proceeding in any Court, and rights acquired or liability incurred, any permit issued, or any cause or causes of action existing under this Ordinance prior to the adoption of this amendment.

Section 4: Effect: This Ordinance shall take effect and be in force immediately upon passage.

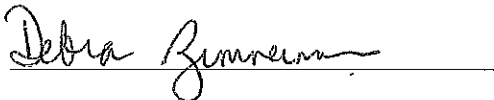
ENACTED AND ORDAINED this 7th day of November, 2019.

CHESTER TOWNSHIP COUNCIL



Dennis Daye, Chairman of Council

ATTEST:



Debra Zimmerman, Secretary