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- Exhibit A Rules and Regulations for Compliance with the Local Taxpayers Bill of Rights
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Part 1

Earned Income and Net Profits

§101. Definitions. For purposes of this Ordinance, all terms defined in the Local Tax Enabling Act, 53 P.S. Sec. 6924.101, et seq., shall have the meanings set forth therein. In addition, the following terms shall have the meanings set forth herein, unless the context shall clearly indicate otherwise:

a. TAX OFFICER. The person or entity appointed as tax officer pursuant to the Local Tax Enabling Act to collect the Tax in the TCD.

b. EFFECTIVE DATE. January 1, 2012.

c. LOCAL TAX ENABLING ACT. The Local Tax Enabling Act, 53 P.S. Sec. 6924.101, et seq., and as amended in the future, including any regulations adopted by the Department of Community and Economic Development thereunder.

d. TCD. The Northampton Tax Collection District, or any future tax collection district, to which the Borough or any part of the Borough is assigned under the Local Tax Enabling Act.

e. TCC. The tax collection committee established to govern and oversee the collection of income tax within the TCD under the Local Tax Enabling Act.

f. TAX. The tax on earned income and net profits imposed by this Ordinance.

g. TAX RETURN. A form or forms prescribed by the Department of Community and Economic Development, or by the Tax Officer with the approval of the TCC, for reporting the amount of Tax or other amount owed or required to be withheld, remitted, or reported under this Ordinance or the Local Tax Enabling Act.

h. TAX YEAR. The period from January 1 to December 31 in a single calendar year.

I. TAXPAYER. A person or business required under this Ordinance or the Local Tax Enabling Act to file a Tax Return or to pay Tax.

§102. Imposition of Tax.

a. General Purpose Resident Tax. The Borough hereby imposes a Tax for general revenue purposes at the rate of one (1%) percent on earned income and net profits of residents of the Borough.

b. General Purpose Municipal Nonresident Tax. The Borough also imposes a Tax for general revenue purposes at the rate of one (1%) percent on earned income and net profits derived by a non-resident from any work, business, profession, or activity, of any kind engaged in within the boundaries of Borough.

c. Ongoing Tax. The Tax shall continue at the above rates during the current Tax Year and each Tax Year thereafter, without annual re-enactment, until this Ordinance is repealed or the rate is changed.

d. Local Tax Enabling Act Applicable. The Tax is imposed under authority of the Local Tax Enabling Act, and all provisions thereof that relate to a tax on earned income or net profits are incorporated into this Ordinance. Any future amendments to the Local Tax Enabling Act that are required to be applied to the Tax will automatically become part of this Ordinance upon the effective date of such amendment, without the need for formal amendment of this Ordinance, to the maximum extent allowed by 1 Pa.C.S.A. Sec. 1937.

e. Applicable Laws, Regulations, Policies, and Procedures. The Tax shall be collected and administered in accordance with (1) all applicable laws and regulations; and (2) rules, regulations, policies and procedures adopted by the TCC or by the Tax Officer in conformity with the Local Tax Enabling Act. This includes any regulations, policies, and procedures adopted in the future to the maximum extent allowed by 1 Pa.C.S.A. Sec. 1937.

§103. No Exemption from Tax. Although credits and deductions against Tax are permitted under certain circumstances as provided in applicable law and regulations, no individuals are exempt from Tax based on age, income, or other factors.

§104. Taxpayer Tax Returns, Declarations and Payments. Every Taxpayer receiving earned income or earning net profits in any Tax Year shall make and file Tax Returns and declarations and pay Tax in accordance with the Local Tax Enabling Act and the rules, regulations, policies and procedures of the TCC and Tax Officer. A Taxpayer is required to file timely an annual Tax Return even if no Tax payment is due and owing. In addition, even though a resident of the Borough did not have earned income or net profits in the prior Tax Year, the resident must file an annual Tax Return, when requested to do so by the Tax Officer, stating the reason why there was no income or net profits to report.

§105. Employer Withholding, Remittance, and Tax Returns. Every employer shall register, require employee residency certificates, withhold and remit Tax, and file Tax Returns and withholding statements in accordance with the Local Tax Enabling Act and the rules, regulations, policies and procedures of the TCC and Tax Officer.

§106. Tax Officer.

a. Collection of Tax. The Tax will be collected from Taxpayers and employers by the Tax Officer. The Tax Officer is authorized to file an action in the name of the Borough for the recovery of the Tax due to the Borough and unpaid. Nothing in this section shall affect the authority of the Borough to file an action in its own name for collection of the Tax under the Local Tax Enabling Act.

b. Criminal Complaints for Violations. The Tax Officer is authorized to file criminal complaints on behalf of the Borough for violation of this Ordinance or the Local Tax Enabling Act. Nothing in this section shall affect the authority of the Borough to file a criminal complaint on its own behalf for violation of this Ordinance or the Local Tax Enabling Act.

§107. Interest, Penalties, Costs and Fines. In the event of violation of this Ordinance or the Local Tax Enabling Act, or non-payment of Tax, Taxpayers and employers are subject to interest, penalties, costs, and fines in accordance with the Local Tax Enabling Act, including costs of collection imposed by the Tax Officer in accordance with authorization by the TCC. The Tax Officer may retain reasonable costs of collection in accordance with Local Tax Enabling Act and as approved by the TCC.

§108. Severability. The provisions of this Ordinance are severable and if any of its provisions are ruled by a court invalid or unconstitutional, such decision shall not affect or impair any of the remaining provisions of this Ordinance. It is declared to be the intention of the governing body of the Borough that this Ordinance would have been adopted if such invalid or unconstitutional provision had not been included.

§109. Purpose/repeal. The primary purpose of this Ordinance is to conform the Borough's currently existing earned income and net profits tax to the Local Tax Enabling Act, as amended and restated by Act 32 of 2008, and to do so within the time frame required by Act 32. Any prior ordinance or part of any prior ordinance conflicting with the provisions of this Ordinance is rescinded insofar as the conflict exists. To the extent the provisions of this Ordinance are the same as any ordinance in force immediately prior to adoption of this Ordinance, the provisions of this Ordinance are intended as a continuation of such prior ordinance and not as a new ordinance. If this Ordinance is declared invalid, any prior ordinance levying a similar tax shall remain in full force and effect and shall not be affected in any manner by adoption of this Ordinance. The

provisions of this Ordinance shall not affect any act done or liability incurred, nor shall such provisions affect any suit or prosecution pending or to be initiated to enforce any right or penalty or to punish any offense under the authority of any ordinance in force prior to adoption of this Ordinance. Subject to the foregoing provisions of this Section, this Ordinance shall supersede and repeal on the Effective Date any ordinance levying a tax on earned income or net profits in force immediately prior to the Effective Date. The Tax imposed by this Ordinance shall not apply to any person as to whom it is beyond the legal power of the Borough to impose the Tax herein provided under the Constitution of the United States and the Constitution and laws of the Commonwealth of Pennsylvania.

§110. Construction. This Ordinance is intended to be consistent with the Local Tax Enabling Act. The Ordinance is intended to include all necessary authorizations to permit the Tax Officer to take all actions for the collection, administration, disbursement, and enforcement of the Tax and all other actions on behalf of the political subdivisions of the TCD as authorized by the Local Tax Enabling Act, subject to the policies and procedures of the TCC. To give full force and effect to this Ordinance, the authority of the Tax Officer shall be interpreted in the broadest permissible sense for the benefit of the Tax Officer's ability to perform its duties.

§111. Effective Date. The provisions of this Ordinance shall become effective on January 1, 2012, and shall apply to earned income received or earned and net profits earned or made by a taxpayer during calendar year 2012 and each year thereafter without annual re-enactment unless the rate of tax is subsequently changed. Changes in the rate of tax shall become effective on the date specified in the ordinance imposing such change.

(Ord. 388, 12/4/1967, §9; amended by Ord. 745, 11/3/2008; and as amended by Ord. 744, 7/21/2011)

Part 2

Local Services Tax

§201. Short Title. This Part shall be known and may be cited as the “Local Services Tax.”

§202. Definitions. The following words and phrases, when used in this part, shall have the meanings ascribed to them in this section, except where the context or language clearly indicates or requires a different meaning:

BOROUGH OF NAZARETH or BOROUGH—The area within the corporate limits of the Borough of Nazareth, Pennsylvania.

COLLECTOR—The person, public employee or private agency designated by the Borough to collect and administer the tax herein imposed.

DCED—The Department of Community and Economic Development of the Commonwealth of Pennsylvania.

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

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

HE, HIS or HIM—Indicates the singular and plural number, as well as male, female and neuter genders.

INDIVIDUAL—Any person, male or female, engaged in any occupation, trade or profession within the corporate limits of the Borough.

NET PROFITS—The net income from the operation of a business, profession, or other activity, as this term is defined in Section 13 [relating to earned income taxes] of the Local Tax Enabling Act, the Act of Dec. 31, 1965, P.L. 1257, §13, as amended, 53 P.S. §6913, as amended.

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

TAX—The local services tax at the rate fixed in §203 of this Part.

TAX YEAR—The period from January 1 until December 31 in any year, a calendar year.

§203. Tax Levy. For specific revenue purposes, an annual tax is hereby levied and assessed, commencing January 1, 2008, upon the privilege of engaging in an occupation with a primary place of employment within the Borough during the tax year. Each natural person who exercises such privilege for any length of time during any tax year shall pay the tax for that year in the amount of \$52, assessed on a pro rata basis, in accordance with the provisions of this part. This tax may be used solely for the following purposes as the same may be allocated by the Borough Council from time to time: (1) emergency services, which shall include emergency medical services, police services and/or fire services; (2) road construction and/or maintenance; (3) reduction of property taxes; or (4) property tax relief through implementation of a homestead

and farmstead exclusion in accordance with 53 Pa.C.S. Ch. 85, Subch. F (relating to homestead property exclusion). The Borough shall use no less than twenty-five percent of the funds derived from the tax for emergency services. This tax is in addition to all other taxes of any kind or nature heretofore levied by the Borough. The tax shall be no more than Fifty-two (\$52.00) Dollars on each person for each calendar year, irrespective of the number of political subdivisions within which a person may be employed.

§204. Exemption and refunds.

A. Exemption. Any person whose total earned income and net profits from all sources within the Borough is less than Twelve Thousand (\$12,000.00) Dollars for any calendar year in which the tax is levied is exempt from the payment of the tax for that calendar year. In addition, the following persons are exempt from payment of the tax:

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

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

B. Procedure to Claim Exemption.

1. A person seeking to claim an exemption from the local services tax shall annually file an exemption certificate with the Borough and with the person's employer affirming that the person reasonably expects to receive earned income and net profits from all sources within the Borough of less than Twelve Thousand (\$12,000.00) Dollars in the calendar year for which the exemption certificate is filed. In the event the Borough utilizes a tax collection officer, it shall provide a copy of the exemption certificate to that officer. The exemption certificate shall have attached to it a copy of all the employee's last pay stubs or W-2 forms from employment within the Borough for the year prior to the fiscal year for which the employee is requesting to be exempted from the tax. Upon receipt of the exemption certificate and until otherwise instructed by the Borough or except as required by Paragraph 2, the employer shall not withhold the tax from the person during the calendar year or the remainder of the calendar year for which the exemption certificate applies. Employers shall ensure that the exemption certificate forms are readily available to employees at all times and shall furnish each new employee with a form at the time of hiring.

2. With respect to a person who claimed an exemption for a given calendar year from the tax, upon notification to an employer by the person or by the Borough that the person has received earned income and net profits from all sources within the Borough equal to or in excess of Twelve Thousand (\$12,000.00) Dollars in that calendar year or that the person is otherwise ineligible for the tax exemption for that calendar year, or upon an employer's payment to the person of earned income within the Borough in an amount equal to or in excess of Twelve Thousand (\$12,000.00) Dollars in that calendar year, an employer shall withhold the local services tax from the person under Paragraph 3.

3. If a person who claimed an exemption for a given calendar year from the tax becomes subject to the tax for the calendar year under Paragraph 2, the employer shall withhold the tax for the remainder of that calendar year. The employer shall withhold from the person, for the first payroll period after receipt of the notification under Paragraph 2, a lump sum equal to the amount of tax that was not withheld from the person due to the exemption claimed by the person under this subsection, plus the per payroll amount due for that first payroll period. The amount of tax withheld per payroll period for the remaining payroll periods in

that calendar year shall be the same amount withheld for other employees. In the event the employment of a person subject to withholding of the tax under this clause is subsequently severed in that calendar year, the person shall be liable for any outstanding balance of tax due, and the Borough may pursue collection under this act.

4. Except as provided in Paragraph 2, it is the intent of this subsection that employers shall not be responsible for investigating exemption certificates, monitoring tax exemption eligibility or exempting any employee from a local services tax.

C. Refunds. The Borough Secretary/Treasurer, in consultation with the Collector and DCED, shall establish procedures for the processing of refund claims for any tax paid by any person who is eligible for exemption, which procedures shall be in accord with provisions of the general municipal law relating to refunds of overpayments and interest on overpayments. Refunds made within seventy-five (75) days of a refund request or seventy-five (75) days after the last day the employer is required to remit the tax for the last quarter of the calendar year, whichever is later, shall not be subject to interest. No refunds shall be made for amounts overpaid in a calendar year that do not exceed One (\$1.00) Dollar. The Borough Secretary/Treasurer or the Collector shall determine eligibility for refunds to exempt persons and provide refunds.

§205. Duty of employers to collect.

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

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

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

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

E. The tax shall be no more than Fifty-two (\$52.00) Dollars on each person for each calendar year, irrespective of the number of political subdivisions within which a person may be employed. The Borough shall provide a taxpayer a receipt of payment upon request by the taxpayer.

F. 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 taxes arises from incorrect information submitted by the employee as to the employee's place or places of employment, the employee's principal office or where the



employee is principally employed. Further, an employer shall not be liable for payment of the local services tax in an amount exceeding the amount withheld by the employer if the employer complies with the provisions of Paragraph B of Section 204 of this Part and this section and remits the amount so withheld in accordance with this Part.

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

§206. Returns. Each employer shall prepare and file a return showing a computation of the tax on forms to be supplied to the employer by the Collector. If an employer fails to file the return and pay the tax, whether or not the employer makes collection thereof from the salary, wages or commissions paid by him or her to an employee, except as provided hereafter in this part, the employer shall be responsible for the payment of the tax in full as though the tax had been originally levied against the employer.

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

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

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

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

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

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

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

§210. Nonresidents subject to tax. All employers and self-employed individuals residing or having their places of business outside of the Borough but who perform services of any type or kind or engage in any occupation or profession within the Borough do, by virtue thereof, agree to be bound by and subject themselves to the provisions, penalties and regulations promulgated under this part with the same force and effect as though they were residents of the Borough. Further, any individual engaged in an occupation within the Borough and an employee of a nonresidential employer may, for the purpose of this part, be considered a self-employed person, and in the event his or her tax is not paid, the Borough shall have the option of proceeding against either the employer or employee for the collection of this tax as hereinafter provided.

§211. Administration of tax.

A. The Collector shall be appointed by resolution of the Borough Council. 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.

B. The Collector is hereby charged with the administration and enforcement of this part and is hereby charged and empowered, subject to Borough Council approval, to prescribe, adopt and promulgate rules and regulations relating to any matter pertaining to the administration and enforcement of this part, including provisions for the examination of 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 Cumberland County as in other cases provided.

C. 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.

§212. Suits for collection.

A. In the event that any tax under this part remains due or unpaid thirty (30) days after the due dates above set forth, the Collector may sue for the recovery of any such tax due or unpaid under this part, together with interest and penalty.

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

§213. Violations and penalties. Whoever makes any false or untrue statement on any return required by this part, or whoever refuses inspection of the books, records or accounts in his or her custody and control setting forth the number of employees subject to this tax who are in his or her employment, or whoever fails or refuses to file any return required by this part shall be guilty of a violation and, upon conviction thereof, shall be sentenced to pay a fine of not more than Six Hundred (\$600.00) Dollars and costs of prosecution, and, in default of payment of such fine and costs, to imprisonment for not more than thirty (30) days. The action to enforce the penalty herein prescribed may be instituted against any person in charge of the business of any employer who shall have failed or who refuses to file a return required by this part.

§214. Interpretation.

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

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

Except as set forth hereafter, all ordinances or parts of ordinances inconsistent herewith are hereby repealed. Nothing herein shall be construed to repeal the imposition and collection of an occupation privilege tax,

plus applicable penalties and interest, for calendar year 2006 and all prior calendar years, or of an emergency and municipal services tax for calendar year 2007, as the same existed prior to this amendment.

The tax imposed by this Ordinance shall be effective on January 1, 2008 and all calendar years thereafter unless repealed or modified by Ordinance of the Borough Council.

(Ord. 739, 11/5/2007)

## Part 3

### Realty Transfer Tax

§301. Short Title. This Part shall be known as the “Realty Transfer Tax Ordinance of the Borough of Nazareth.”

§302. Imposition of Tax. The Borough of Nazareth of Nazareth adopts the provisions of Article XI-D of the Tax Reform Act of 1971 and imposes a realty transfer tax as authorized under that article subject to the rate limitations thereon. The tax imposed under this Section shall be at the rate of one (1%) percent.

§303. Administration. The tax imposed under §302 and all applicable interest and penalties thereon 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, the Borough of Nazareth, 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.

§304. Interest. Any tax imposed under §302 is not paid by the date the tax is due shall bear interest as prescribed for interest on delinquent municipal claims under the Act of May 16, 1923 (P.L. 207, No. 153) (53 P.S. §7101, et seq.), as amended, known as “The Municipal Claims and Tax Liens Act”. The interest rate shall be the lesser of the interest rate imposed upon delinquent Commonwealth taxes as provided in §806 of the Act of April 9, 1929 (P.L. 343, No. 176) (72 P.S. §806), as amended, know as “The Fiscal Code”, or the maximum interest rate permitted under the Municipal Claims and Tax Liens Act for tax claims.

#### §305. Definitions.

ASSOCIATION—a partnership, limited partnership or any other form of unincorporated enterprise owned or conducted by two (2) or more persons other than a private trust or decedent's estate.

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

DOCUMENT—any deed, instrument or writing which conveys, transfers, demises, vests, confirms or evidences any transfer or demise of title of real estate, but does not include wills, mortgages, deeds of trust or other instruments of like character given as security for a debt and deeds of release thereof to the debtor, land contracts 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 thirty (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 §302.

FAMILY FARM CORPORATION—a corporation of which at least seventy-five (75%) percent of its assets are devoted to the business of agriculture and at least seventy-five (75%) percent of each class of stock of the corporation is continuously owned by members of the same family. The business or agriculture shall not be deemed to include:

A. Recreational activities such as, but not limited to, hunting, fishing, camping, skiing, show competition or racing;

B. The raising, breeding or training of game animals or game birds, fish, cats, dogs or pets or animals intended for use in sporting or recreational activities;

- C. Fur farming;
- D. Stockyard and slaughterhouse operations; or
- E. Manufacturing or processing operations of any kind.

**MEMBERS OF THE SAME FAMILY**—any individual, such individual's brothers and sisters, the brothers and sisters of such individual's parents and grandparents, the ancestors and lineal descendants of any of the foregoing, a spouse of any of the foregoing, and the estate of any of the foregoing. Individuals related by the half-blood or legal adoption shall be treated as if they were related by the whole blood.

**PERSON**—every natural person, association or corporation. Whenever used in 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—**

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

B. A condominium unit.

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

**REAL ESTATE COMPANY**—a corporation or association which is primarily engaged in the business of holding, selling or leasing real estate, ninety (90%) percent or more of the ownership interest in which is held by thirty-five (35) or fewer persons and which:

A. Derives sixty (60%) percent or more of its annual gross receipts from the ownership or disposition of real estate; or

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

**TITLE TO REAL ESTATE—**

A. 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; or

B. 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, consist of a group of rights approximating those of an estate in fee simple, life estate or perpetual leasehold, including without limitation a leasehold interest or possessory interest under a lease or occupancy agreement for a term of thirty (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-

A. In the case of any bona fide sale of real estate at arm's length for actual monetary worth, the amount of the actual consideration therefor, paid or to be paid, including liens or other encumbrances thereon existing before the transfer and not removed thereby, whether or not the underlying indebtedness is assumed, and ground rents, or a commensurate part thereof where such liens or other encumbrances and ground rents also encumber or are charged against real estate; provided that where such documents shall set forth a nominal consideration, the "value" thereof shall be determined from the price set forth in or actual consideration for the contract of sale.

B. In the case of a gift, sale by execution upon a judgment or upon the foreclosure of a mortgage or 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.

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

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

### §306. Payment of Tax.

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 one (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 thirty (30) days of acceptance of such document or within thirty (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 thereon 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 the 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 ( $\frac{1}{2}$ ) of the rate and sub one-half ( $\frac{1}{2}$ ) rate shall become effective without any action on the part of the Borough; provided, however, that the Borough and any other political subdivision which impose such tax on the same person or transfer may agree that, instead of limiting their respective rates to one-half ( $\frac{1}{2}$ ) of the rate herein provided, they will impose respectively different rates, the total of which shall not exceed the maximum rate permitted under "The Local Tax Enabling Act."

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

§307. 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.

§308. Excluded Transactions.

1. The tax imposed by §306 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 of confirmation in connection with condemnation proceedings, or a reconveyance by the condemning body of the property condemned to the owner of record at the time of condemnation which reconveyance may include property line adjustments provided said reconveyance is made within one (1) week from the date of condemnation.

B. A document which the 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 or property passed by testate or intestate succession and held by co-tenants; however, if any of the parties take shares greater in value than their undivided interest, tax is due on the excess.

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

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

H. A transfer for no or nominal actual consideration to a trustee of an ordinary trust where the transfer of the same property would be exempt if the transfer was made directly from the grantor to all of the possible beneficiaries, 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 (1) for no or nominal actual consideration between principal and agent or straw party; or (2) 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 non-profit 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 two (2) years.

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

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

P. A transfer by a mortgagor to the holder of a bona fide mortgage in default in lieu of a foreclosure or a transfer pursuant to a judicial sale in which the successful bidder 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 to a conservancy which possesses a tax exempt status pursuant to Section 503(c)(3) of the Internal Revenue Code of 1954 (68A Stat. 3, 26 U.S.C. §501(c)(3)) and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural or open space opportunities.

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

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

U. A transaction wherein the tax due is One (\$1.00) Dollar 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.

§309. Documents Relating to Associations or Corporations and Members, Partners, Stockholders or Shareholders Thereof. Except as otherwise provided in §308, documents which make, confirm or evidence and transfer or demise of title to real estate between associations or corporations and the members, partners, shareholders or stockholders thereof are fully taxable. For the purpose of this Part, corporations and associations are entities separate from their members, partners, stockholders or shareholders.



### §310. 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, ninety (90%) percent or more of the total ownership interest in the company within a period of three (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 thirty (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.

### §311. 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 or real estate which was previously sold under a land contract by the grantor, a credit for the amount of tax paid at the time of the sale shall be given the grantor toward the tax due upon the deed.

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

§312. 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.

§313. Proceeds of Judicial Sale. The tax herein imposed shall be fully paid, and have priority out of the proceeds or 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.

§314. Duties of Recorder of Deeds.

1. As provided in 16 P.S. §11011-6, as amended by Act of July 7, 1983 (P.L. 40, No. 21), the Recorder of Deeds shall be the collection agent for the local realty transfer tax, including any amount payable to the Borough based on a redetermination of the amount of tax due by the Commonwealth of Pennsylvania of the Pennsylvania realty transfer tax, without compensation from the Borough.

2. In order to ascertain the amount of taxes due when the property is located in more than one (1) 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 (10th) of each month, the Recorder shall pay over to the Borough all local realty transfer taxes collected, less two (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 two (2%) percent commission shall be paid to the County.

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

§315. 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 subsection 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.

§316. Civil Penalties.

1. If any part of any underpayment of tax imposed by this Part is due to fraud, there shall be added to the tax an amount equal to fifty (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 five (5%) percent of the amount of such tax if the failure is for not more than one (1) month, with an additional five (5%) percent for each additional month or fraction thereof during which such failure continues, not exceeding fifty (50%) percent in the aggregate.

§317. Lien. The tax imposed by this Part shall become a lien upon the lands, tenements or hereditaments, or any interest therein, lying, being situated, wholly or in part within the boundaries of the 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 discharged by payment, or in accordance with the law, and the solicitor is authorized to file a municipal or tax claim in the Court of Common Pleas of Northampton 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.

§318. 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. In the event that legal action is required to collect the tax, a fee of Two Hundred Fifty (\$250.00) Dollars will be assessed in addition to costs and expenses. This fee

shall represent the attorney's fee for collection of the account. This fee shall be collectible in accordance with §3(a) of the Municipal Claim and Tax Lien Law. In the event that a collection action involves a trial, then additional fees shall be assessed at the rate per hour paid to the Borough Solicitor for preparation and attendance at trial and any additional proceedings.

§319. Regulations. 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 743, 4/7/2008)

Part 4

Taxpayer Rights

§401. The Rules and Regulations attached hereto as Exhibit A and incorporated herein are hereby approved and adopted.

§402. The Disclosure Statement, substantially in the form set forth in Exhibit B, attached hereto and incorporated herein, is hereby approved and adopted.

§403. The form of Petition for Appeal and Refund, substantially in the form set forth in Exhibit C, attached hereto and incorporated herein, is hereby approved and adopted.

§404. 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 and Eligible Tax, under the LTBR, shall be undertaken by the Governing Body in Executive Session.

§405. The Administration Appeal Procedures set forth in the Rules and Regulations and substantially in the form set forth in Exhibit D, attached hereto and incorporated herein, are hereby approved and adopted.

§406. This Ordinance shall become effective in accordance with the provisions of law and shall be applicable to Eligible Taxes as of January 1, 1999.

§407. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this Governing Body that the remainder of the Ordinance shall remain in full force and effect.

§408. All ordinances and resolutions or parts thereof, insofar as the same are inconsistent herewith, are repealed hereby.

(Ord. 657, 8/2/1999)

EXHIBIT A

BOROUGH OF NAZARETH  
RULES AND REGULATIONS  
FOR COMPLIANCE WITH THE LOCAL  
TAXPAYERS BILL OF RIGHTS

Definitions.

**Appeals Board.** The council of the Borough of Nazareth in executive session.

**Assessment.** The determination by the Tax Administrator of the amount of underpayment by a taxpayer.

**Eligible Tax.** Any of the following taxes specified within the term “eligible tax” under the LTBR, including interest and penalties provided by law, when levied by the governing body of the Local Government, but specifically not including any real estate tax:

a. Any tax authorized or permitted under the act of December 31, 1965 (P.L. 1257, No. 511), known as the Local Tax Enabling Act of Act 511.

b. Any per capita tax.

c. Any occupation, occupation assessment or occupation privilege tax.

d. Any tax levied on income.

e. Any tax measured by gross receipts.

f. Any tax on a privilege.

g. Any tax on amusements or admissions.

h. Any tax on earned income and net profits.

**Governing Body.** Council of the Borough of Nazareth.

**Local Government.** The Borough of Nazareth.

**Local Taxpayers Bill of Rights.** Subchapter C of Act 50 of 1998 of the Pennsylvania General Assembly, 53 Pa.C.S.A. §8421-8428.

**Overpayment.** Any payment of tax, which is determined in the manner provided by law not to be legally due.

**Petition.** The Petition for Appeal and Refund described in Section 103.

**Tax Administration.** The employee, agent, appointed tax collector, elected tax collector, tax collection agency or other person to whom the governing body of the Local Government has assigned or delegated responsibility for the audits, assessment, determination or administration of an Eligible Tax. Under the LTBR, this Tax Administrator is also referred to and defined as the local taxing authority.

**Taxpayer.** An individual, partnership, association, corporation, limited liability company, estate, trust, fiduciary or any other entity subject to or claiming exemption from Eligible Tax or under a duty to perform an act for itself or for another under or pursuant to the authority of an Eligible Tax levied by the Local Government.

**Underpayment.** The amount or portion of any Eligible Tax determined to be legally due in the manner provided by law for which payment or remittance has not been made.

**Voluntary Payment.** A payment of an Eligible Tax made pursuant to the free will of the taxpayer. The term does not include a payment made as a result of distraint or levy or pursuant to a legal proceeding in which the Tax Administrator is seeking to collect its delinquent Eligible Taxes or file a claim thereof.

#### 101. Requirements for Requests for Taxpayer Information.

##### (a) Minimum time periods for taxpayer response.

(1) The taxpayer shall have at least thirty (30) calendar days from the mailing date to respond to requests for information by the Tax Administrator. The Tax Administrator shall grant a reasonable extension upon written application explaining the reason (s) necessitating the extension, which must amount to good cause. If the Tax Administrator denies a request for extension, the Tax Administrator must inform the taxpayer in writing of the basis for the denial and that the taxpayer must immediately provide the requested information. If the Tax Administrator grants an extension request, he must notify the taxpayer in writing of the amount of extension granted. Generally, an extension will not exceed thirty (30) calendar days in length, and may be less, depending on the circumstances.

(2) The Tax Administrator shall notify the taxpayer of the procedures to obtain an extension in its initial request for information. Please refer to the notice explaining the Request for Extension of Time to Provide Information attached as Exhibit E.

(3) The Tax Administrator shall take no lawful action against a taxpayer for the tax year in question until the expiration of the applicable response period for submission of the information requested, including extensions. For example, the Tax Administrator may not engage in any collection efforts until after expiration of the response period. After expiration of the response period, the Tax Administration may engage in collection efforts permitted by the LTBR and discussed in Section 113 below.

##### (b) Requests for prior year tax returns.

(1) Except as provided in Subsection (b) (2), an initial inquiry by the Tax Administrator regarding a taxpayer's compliance with any Eligible Tax may include taxes required to be paid or tax returns required to be filed no more than three years prior to the mailing date of the notice.

(2) The Tax Administrator may make an additional subsequent request for a tax return or supporting information if, after the initial request, the Tax Administrator determines that the taxpayer failed to file a tax return, underreported income or failed to pay a tax for one or more of the tax periods covered by the initial request. Generally, however, The Tax Administrator should not make routine requests for additional prior year returns. Notwithstanding the foregoing, the limitations in Subsection (b)(2) above on subsequent requests for prior year returns shall not apply if the Tax Administrator has sufficient information to indicate that the taxpayer failed to file a required return or to pay an Eligible Tax which was due more than three years prior to the date of the notice. Thus, in situations involving failure to file a required return or to pay a required Eligible Tax, the Tax Administrator shall, in his discretion, have the ability to request prior year returns due more than three (3) years prior and supporting information.

- (c) Use of Federal or State tax information.

The Tax Administrator may require a taxpayer to provide copies of the taxpayer's Federal individual income tax return if the Tax Administrator can demonstrate that the Federal tax information is reasonably necessary for the enforcement or collection of tax and the information is not available from other available sources or the Pennsylvania Department of Revenue. The Tax Administrator may also require a taxpayer to provide copies of the taxpayer's State individual income tax return.

102. Notice of Basis of Underpayment. The Tax Administrator must notify the taxpayer in writing of the basis for any underpayment that the Tax Administrator has determined to exist with respect to any Eligible Tax. The purpose of this notification is for the taxpayer to understand the exact reason why the Tax Administrator believes an underpayment exists. This notification from the Tax Administrator shall be written in a manner calculated to be understood by an average person. The notification must include:

- (a) The tax period or periods (usually measured in calendar years) for which the underpayment is asserted.
- (b) The amount of the alleged underpayment of the Eligible Tax detailed by tax period.
- (c) The legal basis (including any statutory or case law citations) upon which the Tax Administrator has relied to determine that an underpayment of an Eligible Tax exists.
- (d) An itemization of the changes made by the Tax Administrator to a return or report filed by the taxpayer that results in the determination that an underpayment exists. A copy of any revised return or report in the Tax Administrator's file must be provided to the taxpayer.

103. Petitions for Appeals of Assessments or Refund of Taxes Paid.

(a) Filing of Petitions. A taxpayer has the legal right to challenge an assessment or denial of a refund claim under the LTBR. However, a taxpayer has a right to one appeal only. If a taxpayer loses an assessment appeal, the taxpayer is not entitled to a second refund appeal after paying the tax. In addition, no administrative appeals are provided for other decisions, including but not limited to the denial of an extension of time to provide information or the modification or termination of an installment agreement.

The LTBR requires political subdivisions to establish appeals procedures. In order to begin the appeals process, the taxpayer must file a complete and timely petition (the "Petition"). A Petition is timely filed if the envelope the Petition is mailed in is postmarked by the United States Postal Service or actually received on or before the final day on which the Petition is due. Receipts from carriers other than the United States Postal Service are not accepted as proof of timely filing. Deadlines for filing a Petition are as follows:

(1) Petitions challenging the denial of a refund shall be filed within three years after the due date for filing the report or return as extended or one year after actual payment of the tax, whichever is later. If no report or return is required, the Petition shall be filed within three years after the due date for payment of the Eligible Tax or within one year after actual payment, whichever is later.

(2) Petitions for reassessment of tax shall be filed within ninety (90) days of the date of the assessment notice, which has been sent to the taxpayer by the Tax Administrator.

(b) The Tax Administrator shall make available a form of Petition for Appeal and Refund attached as Exhibit D.

(c) Contents. Any Petition filed under Section 103 (a) (1) shall (1) state legal basis for claiming the refund or disagreeing with the Tax Administrator's assessment, (2) state the tax period or periods (i.e., years) to which it pertains, (3) state the amount of the claim and the type of Eligible Tax detailed by tax period, (4) include all supporting documentation and calculations, (5) provide the name, address and telephone number of the taxpayer's

representative, if any; (6) include a statement certifying that the facts in the Petition are true and correct, under penalty of perjury, and that the Petition is not filed for purposes of delay; and (7) include such other information (essentially identification) as is reasonably requested by the Tax Administrator on the Petition for Appeal and Refund provided to taxpayer.

(d) The taxpayer shall have his or her Petition decided by the governing body acting in executive session based solely on the Petition and record (including information on file and information submitted by the taxpayer). No hearing, oral testimony or oral argument is required, but can be requested by the taxpayer. The governing body may choose to grant a hearing in its sole discretion.

104. Appeals Board. The Appeals Board shall consist of the governing body acting in executive session, without any maximum or minimum limitation on the number of persons acting as the governing body, provided that a quorum exists.

(a) The decision by the governing body acting in executive session shall be based solely on the Petition and record. Decisions on Petitions shall be issued within sixty (60) days of the date a complete and accurate Petition is received. Failure to act within sixty (60) days shall result in the Petition being deemed approved.

(b) Any person aggrieved by a decision under this Section 104 who has a direct interest in the decision shall have the right to appeal to the court of Common Pleas of the County of Northampton vested with the jurisdiction of local tax appeals by or pursuant to 42 Pa.C.S. §5571 (b).

(c) Decisions by the Appeals Board shall be made according to principles of law and equity.

105. Conduct of Appeals.

(a) A taxpayer may or may not choose to be represented by a taxpayer representative. The taxpayer representative may be a lawyer, certified public accountant, accountant or other tax advisor possessing appropriate tax training to represent taxpayers in tax appeals. The Taxpayer must submit a written authorization to use a taxpayer representative. However, a simple letter signed by a taxpayer authorizing representation will be accepted as authorization. Such authorization shall include the representative's name, address and telephone number.

(b) Copies of notices or communications may be sent by the Tax Administrator or other representative of the political subdivision to the taxpayer's representative. However, the original notice or communications will always be sent directly to the taxpayer. Action taken by the taxpayer's authorized representative (for example, requesting an extension of time or submitting factual information) shall have the same force or effect as if taken directly by the taxpayer.

(c) The Appeals Board's final decision shall be in writing and signed by the Representative of the Appeals Board. The final decision shall be mailed to the taxpayer, with a copy also mailed to the taxpayer's authorized representative (if any).

106. Refunds.

(a) A taxpayer who has paid an Eligible Tax may file a written request for refund or credit. A request for refund shall be made within three years of the due date, as extended, for filing the report or tax return, or one year after actual payment of the tax, whichever is later. If no report is required, the request shall be made within three years after the due date for payment of the tax or within one year after actual payment of the tax, whichever is later.

(b) A tax return filed by the taxpayer showing an overpayment shall be deemed to be a written request for a cash refund unless otherwise indicated on the tax return.

(c) A request for refund under this Section 106 shall not be considered a Petition under Section 103 and shall not preclude a taxpayer from submitting a Petition under Section 103.



(d) For amounts paid as a result of a notice asserting or informing a taxpayer of an underpayment, a written request for refund shall be filed within one year of the date of payment.

107. Disclosure Statement and Taxpayer Notice. Any taxpayer contacted by the Tax Administrator regarding the assessment, audit, determination, review or collection of an Eligible Tax will receive a Taxpayer Notice. The Notice shall be incorporated into any other correspondence sent to a taxpayer by the Tax Administrator regarding the assessment, audit, determination, review or collection of tax. The Notice shall be substantially in the following form:

You are entitled to receive a Disclosure Statement that sets forth a written explanation of your rights with regard to the assessment, audit, determination, review, appeal, enforcement, refund and collection of any local taxes by calling the **[Insert name of Tax Administrator's contact person]** at **[Insert telephone number]** during the hours of **[insert hours of operation]** on any weekday other than a holiday.

You may request a copy in person, by telephone or by mailing a request to the following address: **[Insert Tax Administrator's address]**.

The Disclosure Statement will be made available to taxpayers upon request at no charge to the taxpayer, including mailing costs. In general, the Tax Administrator will make reasonable efforts to supply all taxpayers with a copy of the Disclosure Statement.

108. Interest on Overpayment.

(a) General Rule. All overpayments of an Eligible Tax made to the Local Government shall bear simple interest from the date of overpayment of such Eligible Tax until the date of resolution.

(b) Interest Rate. Interest on overpayments shall be paid at the same rate, as the Commonwealth of Pennsylvania is required to pay pursuant to Section 806.1 of the Act of April 9, 1929 (P.L. 343, No. 176), known as the Fiscal Code (72 P.S. §1 et seq.) As of December 1998, this interest rate is currently 9% annually (0.00247% daily).

(c) Exceptions to Payments of Interest.

(1) No interest shall be paid if an overpayment is refunded or applied against any other Eligible Tax, interest or penalty due to the local government within seventy-five (75) days after the last date prescribed for filing the report or tax return of the tax liability or within seventy-five (75) days after the date the return of report of the liability due is filed, whichever is later.

(2) Interest is not required to be paid on taxpayer overpayments of interest or a penalty(ies).

(d) Acceptance of Refund Check. The taxpayer's acceptance of a refund check from the Tax Administrator or political subdivision shall not prejudice any right of the taxpayer to claim any additional overpayment and interest thereon. Tender of a refund check by the Local Government shall be deemed to be acceptance of the check by the taxpayer for purposes of this Subsection 108 (d).

(e) Definitions. As used in this Section 108, the following words and phrases shall have the meanings given to them in this Subsection (e):

"Date of Overpayment" shall mean the later of the date paid or the date the tax is deemed to have been overpaid as follows:

(1) Any tax actually deducted and withheld at the source shall be deemed to have been overpaid on the last day for filing the report for the tax period, determined without regard to any extension of time for filing.

(2) Any amount overpaid as estimated tax for the tax period shall be deemed to have been overpaid on the last day for filing the final report for the tax period, determined without regard to any extension of time filing.

(3) An overpayment made before the last day prescribed for payment shall be deemed to have been paid on the last day.

(4) Any amount claimed to be overpaid with respect to which a lawful administrative review or appellate procedure is initiated shall be deemed to have been overpaid sixty (60) days following the date of initiation of the review or procedure.

(5) Any amount shown not to be due on an amended income or earned income and net profits tax return shall be deemed to have been overpaid sixty (60) days following the date of filing of the amended income tax return.

“Date of Resolution” shall mean the date the overpayment is refunded or credited as follows:

(1) For a cash refund, a date preceding the date of the refund check by not more than thirty (30) days.

(2) For a credit for an overpayment:

(i) the date of the Tax Administrator’s notice to the taxpayer of the determination of the credit; or

(ii) the due date for payment of the Eligible Tax against which the credit is applied, whichever first occurs. For a cash refund of a previously determined credit, interest shall be paid on the amount of the credit from a date ninety (90) days after the filing of a request to convert the credit to a cash refund to a date preceding the date of the refund check by not more than thirty (30) days, whether or not the refund check is accepted by the taxpayer after tender.

#### 109. Abatement of Certain Interest and Penalty.

(a) Errors and Delays. The purpose of this provision is to provide, in the discretion of the Tax Administrator, a mechanism to abate (i.e., reduce) interest and/or penalties where an underpayment is the result of an error or delay in performance by a representative of the Tax Administrator. Accordingly, in the case of any underpayment, the Tax Administrator, in its discretion, may offer to abate all or any part of the interest relating to an Eligible Tax for any period for any one or all of the following reasons:

(1) Any underpayment of an Eligible Tax finally determined to be due, which is attributable in whole or in part to any error or delay by the Tax Administrator in the performance of a ministerial act. For purposes of this paragraph, an error or delay shall be taken into account only if no significant aspect of the error or delay can be attributed to the taxpayer and after the Tax Administrator has contacted the taxpayer in writing with respect to the underpayment of tax finally determined to be due or payable.

(2) Any payment of an Eligible Tax to the extent that any error or delay in the payment is attributable to an officer, employee or agent of the Tax Administrator being erroneous or dilatory in performance of a ministerial act.

The Tax Administrator shall determine what constitutes timely performance of ministerial acts performed under this Subsection (a).

(b) Abatement of any penalty or excess interest due to erroneous written advice by the Tax Administrator. The Tax Administrator shall abate any portion of any penalty or excess interest attributable to erroneous advice

furnished to the taxpayer in writing by an officer, employee or agent of the Tax Administrator acting in the officer's, employee's or agent's official capacity if:

(1) The written advice was reasonably relied upon by the taxpayer and was in response to a specific written request of the taxpayer; and

(2) The portion of the penalty or addition to tax or excess interest did not result from a failure by the taxpayer to provide adequate or accurate information to the Tax Administrator. Notwithstanding the foregoing, it shall be in the sole discretion of the Tax Administrator whether or not to provide written tax advice to a taxpayer. Taxpayers shall not have any right to compel the Tax Administrator to provide written tax advice.

110. Application of Payments. Unless otherwise specified by the taxpayer, all voluntary payments of an Eligible Tax shall be prioritized by the Tax Administrator in the following order:

(a) Tax.

(b) Interest.

(c) Penalty.

(d) Any other fees or charges.

111. Installment Agreements. The Tax Administrator has the discretion to enter into written agreements with any taxpayer under which the taxpayer is allowed to satisfy liability for tax in installment payments if the Tax Administrator determines that the installment agreement will facilitate collection.

(a) Extent to which installment agreements remain in effect.

(1) Except as otherwise provided in this subsection (a), any installment agreement entered into by the Tax Administrator under this Section 111 shall remain in effect for the term of the agreement.

(2) The Tax Administrator may terminate any prior installment agreement entered into under this Section 111 if:

(i) information which the taxpayer provided to the Tax Administrator prior to the date of the installment agreement was inaccurate, false, erroneous or incomplete in any manner, determined in the reasonable discretion of the Tax Administrator; or

(ii) the Tax Administrator reasonably believes and has determined that collection of the Eligible Tax under the installment agreement is in jeopardy.

(3) If the Tax Administrator finds that the financial condition of the taxpayer has significantly changed, the Tax Administrator may unilaterally alter, modify or terminate the installment agreement, but only if the following conditions are satisfied:

(i) the Tax Administrator provides a notice of its findings to the taxpayer no later than thirty (30) days prior to the date of change of the installment agreement; and

(ii) the notice given by the Tax Administrator to the taxpayer provides the reasons why the Tax Administrator believes that a significant change, justifying a change to the installment agreement, has occurred.

(4) The Tax Administrator may unilaterally and without notification alter, modify or terminate an installment agreement entered into by the Tax Administrator under this Section 111 if the taxpayer fails to do any of the following:

- (i) pay any installment at the time it is due under the installment agreement;
- (ii) pay any other liability relating to an Eligible Tax at the time the liability is due;
- (iii) provide a financial condition update as requested by the Tax Administrator.

(5) No Administrative appeal is permitted in the event of an alteration, modification or termination of an installment agreement. However, an appeal may be made to the Court of Common Pleas of this county.

(b) Prepayment permitted. Nothing in this Section 111 shall prevent a taxpayer from prepaying in whole or in part any Eligible Tax under any installment with the Tax Administrator.

112. Confidentiality of Tax Information. Any information obtained by the Tax Administrator or Appeals Board, or any of their respective officers, agents, legal counsel, financial accountants, or employees as a result of any audit, assessment, return, report, investigation, hearing, appeal or verification of a taxpayer shall be confidential tax information. It shall be unlawful, except for official purposes or as provided by law, for such persons to:

(a) Divulge or make known in any manner any confidential information obtained through any audit, return, assessment, investigation, report, appeal, hearing or verification of a taxpayer to any person other than the taxpayer or the taxpayer's authorized representative.

(b) Permit confidential tax information or any book containing any abstract or particulars thereof to be seen or examined by any person other than the taxpayer or the taxpayer's authorized representative.

(c) Print, publish or make known in any manner any confidential tax information of a taxpayer.

An offense under this Section 112 is a misdemeanor of the third degree and, upon conviction thereof, a fine of not more than \$2,500 and costs, or a term of imprisonment for not more than one year, or both, may be imposed on the offender. If the offender is an officer or employee of the Tax Administrator, the officer or employee shall be dismissed from office or discharged from employment.

113. Collections. If after the decision of an appeal, or if no appeal is requested by a taxpayer, the Tax Administrator may engage in efforts to collect any Eligible Tax determined to be legally due. Such efforts may include, but shall not be limited to, obtaining additional information, auditing taxpayer records, compromising the amount of tax, interest or penalty owed, obtaining liens on the taxpayer's property, or obtaining wage attachments, levies and seizures of the taxpayer's property. As Provided in Section 111 of these Regulations, the Tax Administrator may enter into a written installment agreement with the taxpayer if the Tax Administrator determines that an installment agreement will facilitate collection. The Tax Administrator also reserves the right to seek criminal prosecution of a taxpayer in appropriate circumstances.

## EXHIBIT B

### BOROUGH OF NAZARETH

#### DISCLOSURE STATEMENT UNDER THE LOCAL TAXPAYERS BILL OF RIGHTS

It is the obligation of all taxpayers to file all local tax returns voluntarily and pay all local taxes to which they are subject. However, when the duly appointed or elected tax collector or tax collection agency for the municipality and/or school district in which the tax payer resides determines that a required return has not been filed, or a tax liability has not been paid, the Local Taxpayers Bill of Rights grants certain legal rights to taxpayers, and imposes obligations on taxing authorities to insure that equity and fairness guide local governments in the collection of taxes. In addition, the Local Taxpayers Bill of Rights provides the local government entity with certain legal methods to enforce taxpayer obligations. **This Disclosure Statement sets forth your rights as a taxpayer in connection with any audit, examination, appeal or refund claim of taxes for the Borough of Nazareth, and any enforcement or collection actions taken by the tax collector (the "Tax Administrator") on behalf of the Borough of Nazareth.**

#### Applicability / Eligible Taxes.

This Disclosure Statement applies to all eligible taxes levied by the Borough of Nazareth. For this purpose, eligible taxes do not include real property taxes. The specific eligible taxes levied by the Borough of Nazareth are: (1) Earned Income; and (2) Occupational Privilege. Unless expressly provided in the Local Taxpayers Bill of Rights, the failure of any person acting on behalf of the Tax Administrator to comply with any provisions of this Disclosure Statement, related regulations or the Local Taxpayers Bill of Rights will not excuse the taxpayer from paying the taxes owed.

#### Audit / or Examinations.

If we contact you about your tax return or payment of any eligible taxes, we will send you a letter with either a request for more information or a reason why we believe a change to your return or taxes may be needed. If we request information, you will have thirty (30) calendar days from the date of the mailing to respond. Reasonable extensions of such time will be granted upon application for good cause. We will notify you of the procedures to obtain an extension with our initial request for tax information. Our initial inquiry may include taxes required to be paid or tax returns required to be filed no more than three (3) years prior to the mailing date of our notice. If you give us the requested information or provide an explanation, we may or may not agree with you. If we do not agree with you, we will explain in writing our reasons for asserting that you owe us tax (which we call "an underpayment"). Our explanation will include: (1) the tax period or periods for which the underpayment is asserted; (2) the amount of the underpayment detailed by tax period, (3) the legal basis upon which we have relied to determine that an underpayment exists; and (4) an itemization of the revisions made by us to your return or report that results in our decision that an underpayment exists. If you agree with our changes, you should pay the additional tax.

#### Requests for Prior Year Returns.

An initial request by the Tax Administrator into prior year returns may cover tax returns required to be filed as far back as three (3) years prior to the mailing date of the notice. If the Tax Administrator determines that the taxpayer failed to file a tax return, underreported income or failed to pay a tax for one or more of the tax periods covered by the initial request, the Tax Administrator may request additional information. The Tax Administrator may also require a taxpayer to provide copies of federal and Pennsylvania tax returns when the Tax Administrator can show that the taxpayer's federal tax return(s) is (are) reasonably necessary for the enforcement or collection of tax, and the information is not available from other sources or the Pennsylvania Department of Revenue.

### Appeals of Decisions.

If we notify you that you owe more tax (what we call an “assessment”) and you do not agree with our decision, you may appeal or seek review by filing a Petition for reassessment within ninety (90) days of the date of the mailing of the assessment notice. The Petition must either be in our hands or postmarked by the U.S Postal Service within this ninety (90) day period. Receipts from other carriers (such as Federal Express) are not accepted as proof of delivery.

Your Petition must explain the legal basis for your position and include all supporting documents. For your convenience, a form for submission of a Petition is available at Nazareth Borough Hall, 134 S. Main Street, Nazareth Pennsylvania. Your Petition must be mailed or delivered to the attention of the Tax Administrator at the following address: Nazareth Borough Hall, 134 S. Main Street, Nazareth, Pennsylvania, 18064. A decision by the Governing Body in Executive Session will be made within sixty (60) days of the date your complete and accurate Petition is received. If you do not agree with the decision of the Governing Body in Executive Session, you may appeal to the appropriate Court of Common Pleas of Northampton County. You must file your appeal within thirty (30) days after notice of the decision of the Governing Body in Executive Session.

### Refunds.

You may file a claim for refund (“Refund Claim”) if you think you paid too much tax (what we call an “overpayment”). You must file the Refund Claim within three (3) years of the due date for filing the return as extended or one year after actual payment of the tax, whichever is later. If no report or local tax return is required for the tax, the Refund Claim must be made within three (3) years after the due date for payment of the tax or within one year after actual payment of the tax, whichever is later. If your Refund Claim relates to amounts paid as a result of a notice asserting an underpayment of tax, your request for Refund Claims must be made on forms prescribed by us and must include supporting documentation. You can obtain forms for Refund Claims by contacting us at Nazareth Borough Hall, 134 S. Main Street, Nazareth Pennsylvania, 18064. Your Refund Claim must be filed with us at Nazareth Borough Hall, 134 S. Main Street, Nazareth, Pennsylvania, 18064. If you file a tax return showing an overpayment of tax, we will treat that as a request for a cash refund unless you indicate otherwise. If your Refund Claim is denied, you may file a Petition contesting the denial of the refund. Any Petition must be filed within the same time limits that apply for a Refund Claim. Alternatively, you may file a Petition for a refund without first filing a Refund Claim. A hearing date will be set after your Petition is received and a decision by the Governing Body in Executive Session will be made within sixty (60) days of the date your complete and accurate Petition is received. The Appeals Petition form must be used to request a review of a Refund Claim denial. Your Petition must be mailed or delivered to the attention of the Tax Administrator at the following address: 134 S. Main Street, Nazareth, Pennsylvania, 18064.

### Enforcement Procedures.

Once it has been determined that you owe a tax, we will take all action we are legally permitted to take to enforce our claim. Such action may include obtaining additional information from you, auditing your records, entering into a settlement with you of the disputed amount of the tax, or obtaining liens on your property, wage attachments, levies and seizures and sales of your property in appropriate circumstances. We may enter into a written agreement with you for payment of the tax in installments if we believe that such an agreement will facilitate collection. We may also impose interest and applicable penalties on the tax you owe, and may seek criminal prosecution of you in appropriate circumstances.

### Tax Information Confidentiality.

Information gained by the Tax Administrator or Governing Body as a result of any audit, return, report, investigation, hearing, appeal or verification shall be confidential. However, confidentiality will not preclude disclosure for official purposes, whether in connection with legal proceedings or otherwise, and it will not preclude disclosure to the extent required by applicable law.

Taxpayer Complaints.

If you have a complaint about any action relating to the political subdivision's taxes, the Tax Administrator may be contacted in writing at Nazareth Borough Hall, 134 S. Main Street, Nazareth, Pennsylvania, 18064. This individual will attempt to facilitate resolution of your complaint by working with the appropriate personnel of the Tax Administrator and/or the Governing Body.





Borough: \_\_\_\_\_

Township: \_\_\_\_\_

City: \_\_\_\_\_

Town: \_\_\_\_\_

County: \_\_\_\_\_

**SECTION C: TAX REPRESENTATIVE INFORMATION**  
COMPLETE INFORMATION FOR TAX REPRESENTATIVE (if applicable)

Send all copies of Correspondence to: \_\_\_ Representative

Last Name	First Name	Middle Initial
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Is Representative an	<input type="checkbox"/> Attorney	<input type="checkbox"/> Certified Public Accountant
	<input type="checkbox"/> Other Accountant	<input type="checkbox"/> Other Tax Advisor

Business Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City	State	County	Zip Code
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Phone Number: (    )    -                      Fax Number: (    )    -

**SECTION D: RELIEF REQUESTED & ARGUMENTS**

Explain the relief requested: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Explain in detail why the relief requested above should be granted. Attach additional pages if necessary. Enclose copies of any documents you feel will support your arguments. Petitions for refund must be accompanied by proof of payment of the tax.

\_\_\_\_\_

\_\_\_\_\_

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SECTION E: SIGNATURE

All Petitions must be signed by Petitioner or an authorized representative. If signed by an authorized representative, written authorization for the representative to sign on Petitioner's behalf must accompany the Petition.

Under penalties prescribed by law, I hereby certify that this Petition has been examined by me and that to the best of my knowledge, information and belief, the facts contained in the Petition are true and correct.

Signature: \_\_\_\_\_  
(Taxpayer or Authorized Representative)

Print Name: \_\_\_\_\_  
(Taxpayer or Authorized Representative)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT D

### BOROUGH OF NAZARETH

#### ADMINISTRATIVE APPEAL PROCEDURES APPLICABLE TO PETITIONS FOR APPEAL AND REFUND

##### I. GENERAL.

If the taxpayer does not agree with the local Tax Administrator's (hereinafter "Administrator") assessment or determination of refund claim, the taxpayer may file an appeal by Petitioning the Governing Body requesting a review of the Administrator's assessment or determination of refund claim.

##### II. OBTAINING A HEARING.

To obtain a hearing, a taxpayer must complete a Petition form and timely file it with the Governing Body and mail it to the Administrator's address indicated in Section V (D) below. Note: The Governing Body acting in executive session is not required to provide a hearing to the taxpayer but can decide an appeal based solely on the Petition and record.

##### III. FORM AND CONTENT OF THE PETITION.

###### A. The Petition must include all of the following information:

1. Petitioner's name, address, phone number and contact person (if any);
2. Petitioner's social security number, account number or taxpayer identification number;
3. Type of tax;
4. Tax year and/or quarter;
5. School district and /or borough, township, city, town or county;
6. Name, address and phone number of authorized representative (if any);
7. Relief the Petitioner is requesting;
8. Petitioner's argument (s) in support of the relief requested; and
9. Signature of Petitioner.

##### IV. FORWARDING APPEAL.

A. Upon receipt of the taxpayer's Petition, the Administrator shall forward the Petition immediately to the Governing Body.

B. The Governing Body shall issue a written decision on the taxpayer's Petition within sixty (60) days of the date on which a complete and accurate Petition is received from the taxpayer.

C. In evaluating and making a decision as to any Petition, the Governing Body shall apply the principles of law and equity.

## V. DEADLINES FOR FILING.

### A. Refund Petitions.

If a taxpayer determines that he or she has paid a tax to which he or she is not subject, a Petition for refund of the overpaid local tax must be filed with the Administrator.

1. Refund Petitions shall be filed within three (3) years after the due date for filing the report or return, as extended or one (1) year after the actual payment of the tax, whichever is later; and

2. If no report or return is required, the refund Petition shall be filed within three (3) years after the due date for payment of the tax to be refunded or within 1 year after actual payment, whichever is later.

### B. Petitions for Reassessment.

Any taxpayer who disagrees with an assessment or determination of a local tax may petition the Governing Body for a reevaluation of the taxpayer's assessment.

Petitions for reassessment of a tax shall be filed with the Administrator within ninety (90) days of the date of the Assessment Notice.

### C. Timely Filing.

A Petition for refund or Petition for reassessment is timely filed if the letter transmitting the Petition is postmarked by the United States Postal Service on or before the final day on which the Petition must be filed.

### D. Mailing Address.

Petitions shall be mailed to the following address:

Borough of Nazareth  
Attention: Tax Administrator  
134 S. Main Street  
Nazareth, PA 18064

EXHIBIT E

BOROUGH OF NAZARETH

REQUEST FOR EXTENSION OF TIME TO PROVIDE INFORMATION

This Notice explains certain rights you have with respect to the request for information. You should read this Notice carefully, as your rights may expire if you do not follow the instructions within prescribed time periods.

Under Pennsylvania law, we are required to allow you thirty (30) calendar days to respond to our request for information. This thirty (30) day period is measured from our date of mailing the request for information. You must respond by either providing our Tax Administrator with the requested information, or requesting an extension of time in which to provide the information that we have requested. If you need an extension of time, please send a written request specifying the reasons for the extension and the facts supporting those reactions, to the attention of the Tax Administrator at the following address: Nazareth Borough Hall, 134 S. Main Street, Nazareth, Pennsylvania, 18064.

A reasonable extension of time will be granted for good cause. Absent extraordinary circumstances, we will grant no longer than a thirty (30) day extension of time. The Tax Administrator will notify you in writing of whether an extension of time has been granted. If the request is granted, the Tax Administrator will also inform you of the amount of the time extension. If your request for an extension of time is denied, the Tax Administrator will inform you of the basis for the denial and that you must provide the requested information immediately.

[Note to Tax Administrator: This notice must be given to each taxpayer contacted with a request for tax information in connection with the assessment, audit, determination, review or collection of an eligible tax covered by the Local Taxpayers Bill of Rights. This Notice may be sent as a separate document, as provided above, or the language provided above may be incorporated into a request for tax information.]