

BOROUGH OF AVALON
ORDINANCE NO. 1312

AN ORDINANCE OF THE BOROUGH OF AVALON, COUNTY OF ALLEGHENY AND COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH OF PENNSYLVANIA TO DETERMINE, COLLECT, AND ENFORCE THE TAX, INTEREST, AND PENALTIES ASSOCIATED WITH THE EXISTING REALTY TRANSFER TAX, WHEN THAT TAX HAS BEEN DEEMED DELINQUENT, AND REPEALING ALL INCONSISTENT ORDINANCES.

WHEREAS, Borough Council of the Borough of Avalon desires to appoint the Department of Revenue of the Commonwealth of Pennsylvania as the collection agent responsible for determining, collecting, and enforcing the tax, interest, and penalties associated with the existing realty transfer tax under the following circumstances: when the tax is deemed delinquent as result of an improperly claimed exemption or exemptions, when the full taxable value of the property is not reported and/or the tax is not paid, or when there is other tax non-compliance;

WHEREAS, Act 40 of 2005 (enacted on July 7, 2005) amended the Realty Transfer Tax (RTT) provisions of Article XI-C of the Tax Reform Code of 1971 and added provisions to Article XI-D relating to the local realty transfer tax, where these amendments provide the Borough with the authority to enact this Ordinance;

WHEREAS, Pursuant to section XII. of Ordinance No. 1184, the Allegheny County Recorder of Deeds currently serves as the "collection agent" having the responsibilities outlined in paragraph one of this Ordinance;

WHEREAS, the Allegheny County Recorder of Deeds will continue to collect the local realty transfer tax when a deed and/or document is recorded but will no longer have the responsibilities outlined in paragraph one of this Ordinance;

WHEREAS, the Borough acknowledges that the Commonwealth will charge 10% for its collection efforts and that the County will continue to charge its usual 2%;

WHEREAS, the purpose of this Ordinance is to establish a more efficient and effective local tax enforcement program; and

WHEREAS, the Borough Council of the Borough of Avalon believes that enacting this Ordinance will reduce local administrative costs and generate additional local tax revenue from the existing realty transfer tax;

NOW THEREFORE, BE IT ORDAINED by Borough Council of the Borough of Avalon, and it is hereby enacted pursuant to legal authority granted by the General Assembly of the Commonwealth of Pennsylvania, as follows:

Section 1. Adoption of Amendments.

The Borough of Avalon herein adopts Act 40 of 2005 (enacted on July 7, 2005) which amends the Realty Transfer Tax (RTT) provisions of Article XI-C of the Tax Reform Code of 1971 and which adds provisions to Article XI-D relating to the local realty transfer tax.

Section 2. Administration.

The current local realty transfer tax imposed by the Borough and all applicable interest and penalties shall be administered, collected, and enforced under the "The Local Tax Enabling Act," as amended. (P.L. 1257, No. 511; 53 P.S. sections 6901 et. seq). However, if the correct amount of the tax is not paid by the last date prescribed for timely payment by the Borough of Avalon then, pursuant to section 1102-D of the Tax Reform Code of 1971 (72 P.S. § 8102-D), the Borough herein authorizes and directs the Department of Revenue of the Commonwealth of Pennsylvania to determine, collect and enforce the tax, interest, and penalties associated with the existing realty transfer tax under the following circumstances: when the tax is deemed delinquent as result of an improperly claimed exemption or exemptions, when the full taxable value of the property is not reported and/or the tax is not paid, or when there is other tax non-compliance.

Section 3. Interest.

Any tax imposed under section 1 that is not paid by the date the tax is due shall bear interest as prescribed for interest on delinquent municipal claims under the "The Municipal Claims and Tax Liens Act," as amended (P.L. 207, No. 153; 53 P.S. §§ 7101, et. seq.). The interest rate shall be the lesser of the interest rate imposed upon delinquent Commonwealth taxes as provided in section 806 of the "The Fiscal Code," as amended (P.L. 343, No. 176; 72 P.S. § 806) or the maximum interest rate permitted under the Municipal Claims and Tax Liens Act for tax claims.

Section 4. Effective date.

The provisions of this Ordinance shall become effective on and be applicable to any document made, executed, delivered, accepted, and/or presented for recording on or after Dec. 28, 2006.

Section 5. Repeal.

Any other Ordinance or part of any other Ordinance conflicting with the provisions of this Ordinance, including but not limited to section XII. of Ordinance No. 1184, are hereby repealed to the extent of such conflict. Nevertheless, the repealed Ordinances shall remain effective for documents that became subject to the tax prior to the effective date of this Ordinance.

ORDAINED AND ENACTED this 28 day of December, 2007.

ATTEST:


Borough Manager, Harry Dilmore


President of Council, Edward Klicker

EXAMINED AND APPROVED THIS 28 day of Dec., 2007.


Mayor, David Haslett