



Bucks County Association of Township Officials

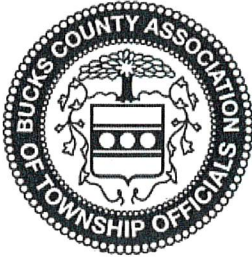
Legislative Update

Sterling Act

Sterling Act Talking Points

- Super Credit clause – no money to any municipality outside of the city that one may have worked in part time
- Determine financial impact in form of Tax millage
- Cite multitude of other taxes paid by our resident when entering the city, i.e. higher sales tax, parking fees, hotel fees, airport fees, soda tax, etc.
- Only Philadelphia collects depression era tax
- If amended, the re-imbusement dollars currently paid by the State to school districts could go to the city to offset the loss
- Would provide tax relief for all municipalities in surrounding counties
- Bipartisan issue affecting all suburban municipalities
- The PA Department of Education reimbursed school districts for revenue lost to Philadelphia as a result of the Sterling Act \$24,498,096.68 in 2018.

Note to other state reps: The four Counties surrounding Philadelphia have been losing millions of dollars in EIT revenue to Philadelphia as a result of the Sterling Act, passed during the Depression to aid the city. Two current bills, HB 1765 & HB 1766 or SB 843 & SB 844 would amend the Sterling Act and allow those non-Philadelphia residents working in the city to have their EIT money go to their home municipalities. There is no State revenue going to Philadelphia as a result of these bills. Please consider support your fellow representatives in correcting this archaic legislation.



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2020 Resolutions Report

- **Be it resolved that PSATS opposes any legislation to legalize the recreational use of marijuana.**

- **Resolved, that PSATS continue to oppose any legislation that would preempt local control of zoning and land use, including legislation to exempt agriculture from land use requirements.**

- **15-20 Resolved, that PSATS seek legislation to amend the Sterling Act (*Act 45 of 1932*) and Department of Community and Economic Development policy to adopt the apportionment procedure for calculating the Philadelphia Tax Credit, wherein any tax collection committee, tax collection committee tax appeals board, and tax collection committee-appointed tax collector shall honor credits for wage tax paid to Philadelphia to the extent that such credits are accurately calculated using apportionment; AND FURTHER, that the Philadelphia Tax Credit shall not be used to reduce or eliminate earned income tax owed to any school district or municipality in a tax collection district on income that is not earned within Philadelphia; and, no credit against EIT owed to any school district or municipality in a TCD shall be allowed by any TCC, TCC tax appeals board, or TCC-appointed tax collector to the extent that such credit is claimed based on the super credit procedure. BUCKS AND CHESTER COUNTY**