



CITY COUNCIL

Work Session

***Work Session
Penn Room***

***Monday, September 21, 2009
7:00 P.M.***

- I. Call To Order** 7:00 p.m.
- II. Managing Director's Report** 7:05 p.m.
- III. Earth Day 2010** 7:15 p.m.
- IV. Kenhorst Police Service Contract** 7:30 p.m.
- V. Update - Rental Housing Process (Codes & Zoning)** 7:45 p.m.
 - a. Progress Report on rentals approved through the process
 - b. Number of properties placarded
 - c. Disposition of properties addressed through the MDJ Court System
 - d. AHO Process
- VI. Zoning Fee Increases** 8:15 p.m.

Zoning revenue at current rates - \$113,400 and revenue at the rate recommended by Maximus - \$157,330

- VII. Review Business Privilege Tax Ordinance** 8:30 p.m.

Discussion on adding license revocation language to existing ordinance or creating separate ordinance to allow revocation

VIII. Sidewalk Vendor Ordinance Amendment

9:00 p.m.

a. consider amending ordinance to eliminate sidewalk vendors from operating in residential neighborhoods

b. consider amending ordinance to allow sidewalk vendor operation from only areas zoned R-PO (Residential Professional), CH (Commercial Highway), MC (Manufacturing Commercial), HM (Heavy Mechanical

IX. Adjourn

City of Reading
City Council
Work Session
Monday, August 17, 2009

Councilors Attending: V. Spencer, S. Fuhs, M. Goodman-Hinnershitz, S. Marmarou, D. Sterner, J. Waltman

Others Attending: C. Younger, R. Hottenstein, L. Kelleher

Vaughn D. Spencer, President of Council, called the work session to order at 7:05p.m.

Managing Director's Report

Mr. Hottenstein reviewed the report distributed to Council at the meeting covering the following:

- Report on Follow-up Issues
 - Public Works installed two dog stations at Angelica Creek Park at a cost of \$263.25 each
 - Web casting project RFP has been put out and is due September 3rd
- Plan to provide feedback, analysis, and action plan on the report issued by the Blue Ribbon Panel.
- A recommendation for Zoning Fee Increases will be forwarded for Council consideration by September 7th.

Ms. Goodman-Hinnershitz thanked Mr. Hottenstein for the updates and his attention to District 2 issues.

HARB Appeal Hearing – 11-15 South 5th Street

Mr. Spencer stated that the property owner, although announcing his intent to appeal the HARB decision at the HARB meeting, has not responded to the Historical Preservation Specialist invitation to appeal that decision at the Work Session.

Rental Housing Process

Mr. Hottenstein stated that updates will be provided at the Public Safety Committee

Meeting.

Pagoda Rental Fees

Ms. Goodman-Hinnershitz noted the need to consult with the Administration and Pagoda Foundation about the fee increases. Mr. Hottenstein suggested including Cindy Kauffman in these discussions. He also explained the rental use and conditions at the Pagoda.

Mr. Hottenstein noted that he has asked the Solicitor if the rental fee can exceed the cost of service as it is a somewhat specialized type of application. Mr. Younger expressed the belief that the amount can be elevated from the actual cost of service but within reason. He promised to research and respond in the near future.

Zoning Fee Increase

Mr. Hottenstein stated that an update to the zoning fee increases was just obtained by the Administration. He stated that a recommendation will be supplied to Council by September 7th.

Ms. Kelleher noted that after reviewing zoning fees from the surrounding communities, some fees such as conditional use, special exception and variance may jump significantly. She noted that these fees are usually set higher as a deterrent.

Mr. Hottenstein noted the need for further review with the zoning administrator as current fee increases do not reflect several features such as staff times, advertisement, stenographer, and transcript, etc.

Review Business Privilege Tax Ordinance

Mr. Waltman stated that when this issue was discussed in the past Council requested a written opinion from the solicitor and copies of the cases he refers to. He asked that the opinion include reference to state law and or case law.

Mr. Waltman stated that the condition of revocation language would add much needed authority. He stated that other cities have rewritten their business privilege tax ordinances to add strength. Mr. Younger stated that he would attempt to supply the opinion by Monday, August 24th.

Mr. Waltman stated that the revocation would occur on a case by case basis. He stated that Codes and Police often have a difficult time getting certain business owners to comply with various regulations. The requested language would allow Codes or Police to revoke the business license if compliance is not obtained.

Mr. Fuhs stated that he is on the same page as Mr. Waltman on this issue. He stated that the revocation could be used in situations where business owners attempt to operate outside the law or outside accepted practices.

Mr. Younger stated that some cities have revocation ordinances that are separated from the business privilege tax ordinance.

Ms. Goodman-Hinnershitz agreed that the addition of revocation to the business privilege tax ordinance would provide more clout. She agreed that businesses operating beyond their purview are disturbing to the community.

Mr. Waltman agreed that there are many good businesses; however some business owners choose to do whatever they want. He noted that operating a business is a privilege. He stated that the addition of revocation language would end the cat and mouse game. He noted that Police and Codes often get handcuffed when trying to obtain compliance from various businesses. As example he noted the ordinance regulating businesses in residential neighborhoods, whereby stores must keep a certain percentage of their front windows clear. He stated that the revocation language would allow Codes or Police to use the revocation as a hammer.

Ms. Goodman-Hinnershitz agreed noting that the same game was applied to the old housing permit process; however the new housing permit process has created parameters and standards. She noted that the City should require businesses to provide more than a simple fee to operate.

Mr. Younger noted the need to create an appeal process to accompany the revocation proceedings.

Mr. Waltman suggested that revocation occur after three (3) citations or notices of violation. Councilor Fuhs suggested seeking aid from the Legislative Aid Committee.

Other Business

Councilor Fuhs inquired about Council's thoughts regarding the Blue Ribbon Panel report and recommendations for Act 47. He noted the remark regarding the relationship between the Mayor and Council. He questioned if some members of Council are working on a financial plan.

Mr. Waltman stated that as chair of the Finance Committee he is not aware of any

individual or group of Councilors working on a financial plan.

Mr. Spencer noted his understanding that if the City files for Act 47 a DCED appointed coordinator will create the plan to be adopted by City Council.

Mr. Waltman noted his high concern with the IT issues addressed by the Blue Ribbon Panel. He noted the need for the City to reduce their exposure to IT related issues as they touch almost every City function. He noted his intent to draft his comments as chair of the Finance Committee.

Mr. Spencer noted his appreciation for the work that the panel put into the report. He noted the report provides different viewpoints on many financial issues.

Mr. Spencer summarized the basics of Act 47.

Ms. Goodman-Hinnershitz noted that most of the recommendations can be undertaken without filing for Act 47.

The Work Session adjourned at 7:45 pm

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

FOLLOW-UP ISSUES

- Amendment to the Prop. Maintenance Code to allow ticketing system
- Update on the rental housing issue (Codes and Zoning)
- Business Privilege Tax Revocation
- Fee Increase Review (Maximus)
 - Codes
 - Recreation
 - Zoning
- Copy of DEP report on WWTP
- Pagoda Rental Fee Increase

Proposed Changes to the Rental Inspections Program by Eric Weiss

Date: February 3, 2009, based on our January 22, 2009 meeting

Presented to City Council February 17, 2009

1. Enter property information into Hanson regarding placarded (tagged unfit) properties during January 2009. This will require follow-up inspections to be carried out over the following month for approximately 75 properties to verify use and occupancy along with enforcement actions as needed. All tagged unfit properties found to be occupied will be prioritized for enforcement until complied or vacated.
2. Create Divisions of responsibilities of staff by program or specialty, similar to divisions among the lines of business of a corporation. This specialization will improve effectiveness while allowing for adjustments to staffing in each division as needed during the year in order to address fluctuations in the workload. By February 1, 2009, deploy inspections staff as follows:
 - a. 6 rental health & safety inspectors
 - b. 4 complaints inspectors
 - c. 2 illegal use inspectors
 - d. 2 "floating" inspectors to respond to temporary workload increases
 - e. 1 inspector handling health inspections
3. By April 1, 2009, to resolve the Housing Permits backlog problem, issue Housing Permits to approximately 1,500 owners who have applied and have had zoning verified. Defer the requirements for BPL and housing inspections on these properties to resolve the backlog and to clear the path for the commencement of the 5 year systematic inspections cycle. These Permits should indicate the conditions of issuance, that is: must be inspected, must comply with BPL requirements, etc.
4. Begin the 5-year, systematic rental inspections cycle by separating the Magisterial Districts into 5 one-year (2009 through 2013) geographic rental inspections areas. The number of rental dwelling units for inspection should be approximately equated each year and care should be taken not to overload challenging Districts into one year. This establishes goals and timetables with achievement expectations for administration, elected officials, staff, property owners and the general public and will transform the current reactive efforts into a proactive, mission-driven systematic process.
5. By June 30, 2009, to resolve the Rental Unit Invoices backlog, make the necessary ordinance amendments to establish a Registration provision for qualified rental units in chapter 11- Housing Rental. Registered Rental Units will be units documented by the City and based on the owner's application and payment of a yearly fee. A unit will remain Registered, providing the yearly fee is paid, until a Rental Permit is issued when the unit is brought into compliance with all requirements in Chapter 11 following

inspection during the five (5) year inspections cycle. The Registration does not warrant the zoning, safety, condition or habitability of these units. It merely documents the owner's application for inclusion of the units(s) in Reading's Rental Unit Permitting process.

In resolving the invoice backlog, the 2008 and 2009 Rental Unit Invoices for units that are in compliance should be sent as Rental Permit Fee invoices. Rental units for which compliance is pending or units that have not been brought into compliance with the Rental Housing Ordinance requirements, should have 2008 and 2009 invoices sent as Rental Registration Fee invoices.

2007 Rental Fee Invoices, already in progress, can remain as Rental Permit Fee Invoices.

This will bring the rental billing cycle current without mandating all units be in compliance with all requirements while allowing Registered Units to remain Registered until they are included in the five (5) year inspection s cycle and achieve their Rental Permit.

6. List all permitted rental units on a Master Rental Permit posted in a common area (lobby) of every rental property. The permit will list all legal units identifying them by number or letter or location (example: 2nd floor rear). This will document the permitted allowable rental units in every rental building at an accessible location open to public view.

Additional Programmatic Changes:

1. By April 1, 2009 institute Sweep Ticketing Program. Sweep Ordinance is being revised to include all anticipated violations to be addressed by the ticketing process. The process initially will be by standard ticket book issuance similar to the Allentown Program. Potential benefits to using hand-held computers for ticketing will be looked into. Consortium of Code Officials in Reading, Allentown, Bethlehem and Easton has been formed and will best practice solutions, including the Sweep Ticketing Program, to common code problems among the cities.
2. By January 2009 decide on, measure staff size requirements, purchase and issue uniforms to inspectors. The inspectors "uniforms" will be khaki pants and a button down shirt rather than either a more law enforcement officer or a more maintenance worker style uniform. Projected first day for uniforms to be worn is the middle of February.
3. Zoning files are the City's official record of a property's legal allowable use. Having clear, complete, official municipal records of every property's allowable use is essential to a City's success by several measures. It is recommended that a sufficient number of staff be assigned to investigate and resolve issues of allowable

uses for properties in rental inspections yearly geographic workload prior to inspections. Consider fee increases for rental housing permits and/or zoning applications to cover additional staff to verify allowable use and to gain compliance of zoning violations. Maximus Company is evaluating Reading's fee structure. We can review the Maximus draft when it is ready.

Additional note:

Look into the optimal use of State Act 97 by putting a procedure in place to have fire inspectors gather fire insurance coverage information at every fire response and transfer this information to a program coordinator who will assure that insurance providers adhere to the provisions of Act 97 by escrowing with the City Treasurer the required portion of the insurance proceeds. Compliance signed off by the Building Inspections staff when the CO is issued following building restoration should be required prior to release of these funds to the owner/insured. If the owner/insured balks or fails to restore the building, the City should proceed to use the escrowed funds for the repairs. If no insurance is in place at the time of the fire, public nuisance abatement procedures using public funds should be employed to repair the building damage to at least a condition that will not allow further deterioration nor negatively impact surrounding properties. Code enforcement action, blighted property review procedures or municipal lien execution should follow until the fire damaged building is restored.

ZONING

Zoning performs inspections to assure compliance with applicable codes and ordinances adopted by the City. Zoning ensures consistent conformance with applicable laws regulating the use of land and buildings in the City. All persons or entities desiring to undertake any new construction, structural or site alteration, razing, grading, or changes in the use of a building or lot shall apply to the Zoning Administrator for a zoning permit by completing the appropriate application form and by paying all required fees.

The following is a summary of the cost and fee analysis.

Summary of Zoning Costs

The cost distribution for the Zoning user fee analysis was comprised of three (3) components: 2008 budget appropriations, 2006 indirect costs, and 2008 divisional support. The 2008 budget appropriations for Zoning were derived directly from the City's adopted budget. The 2006 indirect costs are from the City's 2006-based full cost allocation plan. The divisional support costs from Codes Administration, Planning, and City Clerk was calculated through separate MAXFEE analyses, respectively. In the 2008 budget the Zoning Administrator position was in Codes Administration. In order to accurately distribute the labor costs, the portion of Codes Administration support costs related to salaries and fringe benefits for the Zoning Administrator position was included in the 2008 budget appropriations for Zoning. The actual/estimated quantities (units of service) were derived from Zoning's permit database for the period January 1, 2008 through October 31, 2008. The data was sorted by permit code to arrive at the total number of units for each fee area. The total units for the sample period were then annualized to arrive at a projected total number of units for a calendar year. It should be noted that the total number of rental housing units was computed based on 50% of the three year (2006-2008) average housing stock as reported by the City Auditor's report of the number of real estate transfer transactions. This method of computing total rental housing units was recommended by the City Manager.

CITY OF READING, PENNSYLVANIA Analysis of Fees for Services Report

April 17, 2009 Page 94 **MAXIMUS**

Zoning

Cost Summary

(All Costs Shown in Dollars)

2008 Budget Appropriations

Salary and Wages \$ 136,011

Benefits 45,905

Operating Expenses 24,000

Total Direct Budgeted Costs \$ 205,916

2006 Full Cost Allocation Plan \$ 36,061

Total Indirect Costs \$ 36,061

Divisional Support

Codes Admin. \$ 44,039

Planning and City Clerk 7,467

Total Divisional Support \$ 51,506

Total Zoning Costs \$ 293,483

Of the total cost of \$293,483 for the fee-related services considered, \$134,700 was considered to be non-fee related leaving \$158,783 or 54.10% of the total costs as the fee related costs.

**PART 5
BUSINESS PRIVILEGE TAX**

A. Business Privilege Tax Ordinance

§24-501. Short Title.

This Part shall be known as the "Business Privilege Tax Ordinance."
(*Ord 52-1975, 12/3/1975, §I*)

§24-502. Definitions.

As used in this Part, certain terms are defined as follows except where the context clearly indicates a different meaning:

BUSINESS - any activity carried on or exercised for gain or profit in the City including, but not limited to, the sale of merchandise or other tangible personalty or the performance of services and the rental of personalty and/or realty.

CALENDAR YEAR - the period January 1 to December 31, inclusive.

CITY - the City of Reading.

LICENSE YEAR - the period from January 1 to December 31, inclusive.

PERSON - any individual, partnership, limited partnership, association, firm or corporation. Whenever used in any clause prescribing or imposing a penalty, the term "person" as applied to associations shall mean the partners or members thereof, and as applied to corporations, the officers thereof.

TAXPAYER - a person subject to the payment of the tax imposed by this Part.

TAX MANAGER - the person duly appointed by Council to administer the tax.

TAX YEAR - the period from January 1 to December 31, inclusive.

TREASURER - the Director of Finance of the City of Reading.

WHOLESALE DEALER or WHOLESALE VENDOR - any person who sells to dealers in or vendors of goods, wares and merchandise and to no other person.
(*Ord 52-1975, 12/3/1975, §II; as amended by Ord. 14-2001, 5/29/2001*)

§24-503. Tax Levied; Rate; Business Volume Computed; Exemptions.

There is hereby levied for the tax year 1976 and annually thereafter a tax for general revenue purposes on the privilege of doing business as herein defined in the City as follows:

A. **Rate and Basis of Tax.** The rate of the tax on each dollar volume of gross annual receipts of every person engaged in occupations or business in the City shall be 1½ mills, 1½ mills shall mean \$1.50 per \$1,000 volume of gross annual receipts, except that the rate of the tax on each dollar volume of gross annual receipts by wholesale dealers or wholesale vendors engaged in business in the City shall be 1 mill. All nonwholesale businesses of such wholesale dealers or wholesale vendors shall be taxed at the general rate of 1½ mills. [Ord. 10-2007]

B. Computation of Volume of Business.

- (1) Every person subject to the payment of the tax hereby imposed who has commenced his business prior to the full calendar year prior to the tax year shall compute his annual estimated gross volume of business upon the actual gross amount of business transacted by him during the immediately preceding calendar year.
- (2) Every person subject to the payment of the tax hereby imposed who has commenced or who commences his business before the beginning of the tax year but after the beginning of the full calendar year prior to the tax year, shall compute his estimated annual gross volume of business for the tax year upon the gross volume of business transacted by him during prior calendar year, taking the monthly average during such period and multiplying the same by 12. In the event that he shall be in business fewer than 90 days in the prior calendar year, he shall be permitted to use sufficient days in calendar year in which the tax year begins to equal 90 successive days after commencement of business, to take a monthly average thereon, and to multiply the average by 12.
- (3) Every person subject to the payment of the tax hereby imposed who has commenced or commences his business subsequent to the beginning of the tax year, if there shall be less than 3 months from the commencement of his business to the end of the tax year, shall compute his annual gross volume of business upon the actual gross amount of business transacted by him during the tax year; if there shall be more than 3 months from the commencement of his business to the end of the tax year he shall compute his estimated gross volume of business for such tax year upon the gross volume of business transacted by him during the period from the commencement of his business to the end of the tax year, taking the monthly average during the first 3 months of business and multiplying the same by the number of months from the commencement of business to the end of the tax year.
- (4) Every person subject to the payment of the tax hereby imposed who engages in a business temporary, seasonal or itinerant by nature, shall compute his estimated gross amount of business to be transacted by him for the period such person engages in such

temporary, seasonal or itinerant business within the City by a method to be determined by the Tax Manager.

(5) The Tax Manager is hereby authorized to accept payment under protest of the amount of business privilege tax claimed by the City in any case where the taxpayer disputes the validity or amount of the City's claim for tax. If it is thereafter judicially determined by a court of competent jurisdiction that the City has been overpaid, the amount of the overpayment shall be refunded to the taxpayer. The provisions of this section shall be applicable to cases in which the facts are similar to those in a case litigated in a court of competent jurisdiction.

(6) Payments made under the mercantile license tax for business to which this tax is applicable shall be credited to this tax and vice versa.

C. Persons, Business and Receipts Exempted.

(1) **Persons and Businesses.** Persons employed for a wage or salary, nonprofit corporations or associations organized for religious, charitable or educational purposes, agencies of the government of the United States or of the Commonwealth of Pennsylvania and the business of any political subdivision, or of any authority created or organized under and pursuant to any act of assembly are exempt from the provisions of this Part.

(2) No such tax shall be assessed and collected on a privilege, transaction, subject, or occupation which is subject to a State tax or license fee, and which tax or license fee has been held by the Courts of Pennsylvania to be the basis for exemption from the imposition of a business privilege tax by a municipality.

(3) **Utilities.** No such tax shall be assessed and collected on the gross receipts from utility service of any person or company whose rates of service are fixed and regulated by the Pennsylvania Public Utility Commission; or on any public utility service rendered by any such person or company or on any privilege or transaction involving the rendering of any such public utility service.

(4) **State Tax on Tangible Property.** No such tax shall be assessed and collected on the privilege of employing such tangible property as is subject to a State tax except on sales of admission to places of amusement or on sales or other transfers of title or possession of property.

(5) **Production and Manufacture.** No such tax shall be assessed and collected on goods, articles and products, or on by-products of manufacture, or on minerals, timber, natural resources and farm products manufactured, produced or grown in the City, or on the preparation or processing thereof for use or market, or on any privilege, act or transaction relating to the business of manufacturing, the production, preparation or processing of

minerals, timber and natural resources or farm products, by manufacturers, producers and farmers with respect to the goods, articles and products of their own manufacture, production or growth or any privilege, act or transaction relating to the business of processing by-products of manufacture or on the transportation, loading, unloading, dumping or storage of such goods, articles, products or by-products.

D. Determination of Gross or Whole Volume Business. Gross or whole volume of business upon which the tax hereunder is computed shall include the gross consideration credited or received for or on account of sales made, rentals and/or services rendered, subject only to the following allowable deductions and exemptions:

(1) The dollar volume of business transacted by wholesale and retail dealers derived from the resale of goods, wares and merchandise taken by any dealer as trade-in or as part payment for other goods, wares and merchandise, except to the extent that the resale price exceeds the trade-in allowance.

(2) Refunds, credits or allowances given by a taxpayer to a purchaser on account of defects in goods, wares or merchandise sold, or on account of goods, wares or merchandise returned.

(3) Any commissions paid by a broker to another broker on account of a purchase or sales contract initiated, executed or cleared with such other broker.

(4) Bad debts, where the deduction is also taken in the same year for Federal income taxation purposes.

(5) Taxes collected as agent for the United States of America, Commonwealth of Pennsylvania or the City.

E. Partial Exemptions. Where gross or whole volume of business in its entirety cannot be subjected to the tax imposed by this Part by reason of the provisions of the Constitution of the United States or any other provision law, the Tax Manager with the approval of Council shall establish rules and regulations and methods of allocation and evaluation so that only that part of the gross or whole volume of business which is properly attributable and allowable to doing business in the City shall be taxed hereunder.

F. Rate When Same Tax is Imposed by Two Taxing Bodies. If any person is liable for the same tax on the same subject imposed under the Local Tax Enabling Act 1965, December 31, P.L. 1257 and its amendments, to the City and one or more political subdivisions of the State, then and in that event the tax shall be apportioned by such percentage as may be agreed upon by such political subdivisions, but, in no event, shall the combined taxes of both subdivisions exceed a maximum rate of tax as fixed by the Enabling Act permitting the imposition of such taxes.

G. Records. The taxpayer, to obtain the foregoing enumerated exclusions and deductions, shall keep books and records of his business so as to show clearly, accurately and separately the amount of such sales and services as are excluded from the tax and the amounts of such sales and services which he is entitled to deduct from the gross volume of business as hereinbefore provided.

(*Ord 52-1975, 12/3/1975, §III; as amended by Ord. 14-2001, 5//29/2001; and by Ord. 10-2007, 1/22/2007, §1*)

§24-504. Returns; Payment; Interest Penalty.

1. Every return shall be made upon a form furnished by the Tax Manager. Every person making a return shall certify the correctness thereof by affidavit.
2. Every person subject to the tax imposed by this Part who commenced his business on or before January 1 of the full calendar year previous to the beginning of any tax year shall on or before February 15 of the tax year file with the Tax Manager a return setting forth his name, his business, business address and such other information as may be necessary in arriving at the actual gross amount of business transacted by him during the preceding calendar year, and the amount of the tax due.
3. Every person subject to the tax imposed by this Part who has commenced his business before the beginning of the tax year but after January 1 of the full calendar year previous to the beginning of the tax year shall on or before February 15 of the tax year file with the Tax Manager a return setting forth his name, his business, business address and such other information as may be necessary in arriving at the estimated gross amount of business transacted by him as calculated under §24-503(B)(2) and the amount of tax due, provided 100 days have elapsed from the commencement of the business to February 15 of the tax year. If a taxpayer has not been in business for 100 days as of February 15 of the tax year, whether or not he commenced business within the tax year, his return shall be filed within 100 days of the commencement of his business.
4. Every person subject to the payment of the tax imposed by this Part who engages in a business temporary, seasonal or itinerant by its nature shall at the time application is made for the business privilege license file a return with the Tax Manager setting forth his name, his business, his business address and such information as may be necessary in arriving at the estimated gross amount of business to be transacted by him as calculated in accordance with §24-503(B)(4).
5. **Going Out of Business.** Any person going out of or ceasing to do business shall, within 7 days from the date of ceasing to do business, file a return showing the actual gross volume of business conducted and done by such person during the tax year in which such person ceased doing business, and pay the tax due as computed thereon at the rate herein provided

for at the time of filing such return. If such tax has been previously paid based upon estimated gross receipts, the taxpayer shall be entitled to a refund, without interest, of any excess tax paid for the tax year in which business was terminated.

6. Payment of Tax and Penalties for Late Payment. The business privilege tax levied pursuant to this Part shall be due and payable on the date on which the taxpayer is required to file a return as set forth above. If the tax is paid within two months after the due date a discount of 2% shall be allowed. All taxpayers who shall fail to pay the tax for 4 months after the due date, shall be charged a penalty of 10% plus an additional 1% per month or fractional part of a month, commencing with the penalty period, until the tax is paid.

[*Ord. 49-1976*]

7. Receipt. The City Director of Finance shall, upon payment to him of the business privilege tax, give the person paying the same a receipt therefor.

(*Ord. 52-1975, 12/3/1975, §VI; as amended by Ord. 49-1976, 12/22/1976, §§1-4; and by Ord. 14-2001, 5/29/2001*).

§24-505. License.

As of January 1, 2003, any person desiring to conduct or to continue to conduct any business, as herein defined, within the City shall file with the Tax Administration Manager, an application for a business privilege license and shall pay a fee of \$35 for the initial license and \$35 for each renewal thereof. EXCEPT, that any person with whole or gross volume of business transacted within the territorial limits of the City less than \$600 for any given year shall pay a fee of \$15.

(*Ord. 52-1975, 12/3/1975, §V; as amended by Ord. 96-1986, 12/10/1986, §1; by Ord. 26-1997, 11/24/1997, §1; and by Ord. 67-2002, 12/9/2002, §1*)

§24-506. Posting Licenses.

The license issued shall be conspicuously posted in the place of business for which the license is issued, and shall remain in effect for the license year or fraction of year for which such license was issued. In cases where more than one place of business is conducted, a separate license shall be issued for each place of business. Any taxpayer who is in default in payment of tax due hereunder shall be refused a license until such tax is paid in full.

(*Ord. 52-1975, 12/3/1975, §VI*)

§24-507. Penalty.

1. Whoever conducts, transacts or engages in any of the businesses subject to the tax imposed by this Part, without having first secured a business privilege license for the year, or who fails to file a tax return as required by the provisions of this Part or who willfully files a false return, or who fails to maintain such records and books of account as shall enable him to make a true and correct return in accordance with the provisions of this Part, or any person or persons subject to, or supposed to be subject to, the tax imposed by this Part who refuses to allow the Tax Manager or his deputies to examine the books, papers and records of any such person or persons or who fails to comply with any other provisions of this Part shall be, upon conviction thereof, sentenced to pay a fine of not more

than \$600 plus costs and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days.

2. Each day on which such person violated this Part may be considered as a separate offense and punishable as such as aforeprovided.

(*Ord. 52-1975, 12/3/1975, §VII & VIII; as amended by Ord. 53-1984, 6/20/1984, §1; and by Ord. 14-2001, 5/29/2001*)

§24-508. Duties of Tax Manager and City Director of Finance.

1. The City Director of Finance is charged with the duties of collecting and receiving the taxes, fines and penalties imposed by this Part. It shall be his duty to keep a record showing the amount received by him from each person paying the tax and the date of such receipt.

2. The Tax Manager and his duly appointed deputies under the direction of the Director of Accounts and Finance are hereby empowered with the approval of Council 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 and correction of returns and payments alleged or found to be incorrect, or as to which an overpayment is claimed or found to have occurred, and charged with enforcing the provisions of this Part and any rules and/or regulations promulgated pursuant hereto.

3. In the event the person to be assessed neglects or refuses to make a return, then in such case the Tax Manager or his duly appointed deputies shall assess such person or persons on such an amount of whole or gross volume of business as the Tax Manager or his deputies deem reasonable and appropriate. In all cases of assessment, the Tax Manager or his duly appointed deputies shall give the parties assessed a notice in which shall be stated the trade, business, occupation or class, and the amount of the business privilege tax imposed or levied.

4. The taxpayer shall maintain such records and books of account as shall enable him to make a true and accurate return in accordance with the provisions of this Part. Such accounts and records shall disclose in detail the gross receipts and other data pertaining to the taxpayer's gross volume of business, and shall be sufficiently complete to enable the Tax Manager or his deputies to verify all transactions. The Tax Manager or his deputies are hereby authorized to examine the books, papers and records of any person or persons subject to or supposed to be subject to the tax imposed by this Part, in order to verify the accuracy of the return made, or if no return was made, ascertain the tax due.

5. Any person aggrieved by any decision of the Tax Manager shall have the right to appeal to the Court of Common Pleas, as in other cases.

(*Ord. 52-1975, 12/3/1975, §IX; as amended by Ord. 14-2001, 5/29/2001*)

§24-509. Confidential nature of Information.

Any information gained by the Tax Manager or any other official, agent or employee of the City, as a result of any returns, investigations, hearings or verifications required or authorized by this Part, shall be confidential, except in accordance with proper judicial order or as otherwise provided by law.

(*Ord. 52-1975, 12/3/1975, §X; as amended by Ord. 14-2001, 5/29/2001*)

§24-510. Suit on Collection; Costs.

1. The Tax Manager or his duly appointed deputies shall have the power in the name of the City to institute proceedings against any and all persons who violate the provisions of this Part.

2. If for any reason the tax is not paid when due and suit is brought for the recovery of any such tax, the person liable therefor, shall, in addition, be liable for the costs of collection and interest and penalties herein imposed.

(Ord. 52-1975, 12/3/1975, §XI; as amended by Ord. 14-2001, 5/29/2001)

§24-511. Savings Clause; Separability.

1. Nothing contained in this Part shall be construed to empower the City to levy and collect the taxes hereby imposed on any person, or any business, or any portion of any business not within the taxing power of the City under the Constitution of the United States and the laws and Constitution of the Commonwealth of Pennsylvania.

2. If the tax, or any portion thereof, imposed upon any person under the provisions of this Part shall be held by any court of competent power or jurisdiction to be in violation of the Constitution of the United States or of the Commonwealth of Pennsylvania or any other provision of the law, the decisions of the court shall not affect or impair the right to impose the taxes, or the validity of the taxes so imposed upon other persons as herein provided.

3. The provisions of this Part are severable, and if any of its provisions shall be held illegal, invalid or unconstitutional, the decision of the court shall not affect or impair any of the remaining provisions of this Part. It is hereby declared to be the intention of Council that this Part would have been adopted if such illegal, invalid or unconstitutional provisions had not been included herein.

(Ord. 52-1975, 12/3/1975, §XII)