

BUCKS COUNTY TAX COLLECTION COMMITTEE

RESOLUTION 2016-01

A RESOLUTION PROVIDING THAT ALL ELIGIBLE TAXPAYERS RESIDING IN THE BUCKS COUNTY TAX COLLECTION DISTRICT SHALL BE ALLOWED CREDITS AGAINST LOCAL EARNED INCOME TAXES PAID IN OTHER STATES

WHEREAS, Section 317 of the Local Tax Enabling Act ("LTEA"), 53 P.S. §6924.317, allows Pennsylvania taxpayers to take a credit against their local earned income tax ("EIT") in the amount of any income tax paid to another state (or political subdivision thereof) to the extent those out-of-state taxes apply to salaries, wages, commissions or other compensation on net profits of businesses, professions or other activities which are also subject to the local EIT imposed by the Pennsylvania municipality or school districts in which they reside, and;

WHEREAS, After passage of Act 32 of 2008 some other TCCs limited Section 317 credits to the EIT imposed under Chapter 3 of the LTEA, and did not include any School District Occupational Elimination taxes or Open Space taxes, earned income taxes imposed under Act 130 (53 P.S. §6924.401 *et seq.*) and Act 153 (32 P.S. §5007.1) respectively, and;

WHEREAS, On May 18, 2015 the U.S. Supreme Court decided *Comptroller of the Treasury of Maryland v. Wynne*, 135 S. Ct. 1787 (2015), which called into question any limitations on taxpayer credits for the payment of out-of-state income taxes under similar circumstances. In the opinion of the TCC Solicitor the tax credits allowed under Section 317 of the LTEA should apply to the aforementioned school district occupational elimination and open space earned income taxes paid by taxpayers in the Bucks County Tax Collection District.

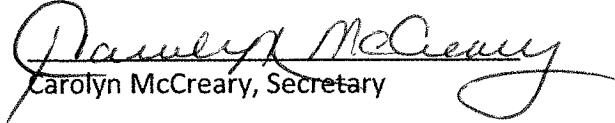
NOW THEREFORE BE IT RESOLVED by the Board of Delegates of the Bucks County TCC as follows:


1. All eligible taxpayers in the Bucks County Tax Collection District shall be allowed credits against their local EITs in the amount of earned income taxes paid in other states, regardless of whether the EIT is imposed under Chapter 3 of the LTEA. Such credits shall be allowed under Section 317 of the LTEA and will include credits against the payment of School District Occupational Elimination and Open Space EITs imposed under Act 130 and Act 153 respectively;

2. The aforementioned tax credits shall apply to the payment of out-of-state income taxes made by eligible taxpayers residing in the Bucks County Tax Collection District when they have made income tax payments in another state as per Section 317 of the LTEA and where the state in which the income taxes were paid does not have a reciprocity agreement with the Commonwealth of Pennsylvania; and

3. The TCC Tax Collector, Keystone Collections Group, should continue its practice of allowing taxpayers to apply the above-described credits.

RESOLVED this 31st Day of May 2016.


Carolyn McCreary, Secretary


Robert M. Pellegrino, Chairman