

# NAZARETH AREA SCHOOL DISTRICT

SECTION: FINANCES

TITLE: EARNED INCOME TAX  
COLLECTION

ADOPTED: APRIL 25, 2005

REVISED:

<p>1. Purpose Act 511 of 1965 53 P.S. 6901 et seq</p> <p>2. Authority Pol. 606</p> <p>3. Guidelines</p>	<p style="text-align: center;">606.1. EARNED INCOME TAX COLLECTION</p> <p>This policy specifies the manner in which the earned income tax collection within the district will be accomplished by the appointed tax collectors.</p> <p>Earned income taxes shall be collected by the appointed and properly bonded tax collectors. The tax collectors shall perform their duties as prescribed by this policy, the district's rules and regulations for tax on earned income and net profits, other applicable district policies pertaining to tax collection, the Public School Code of 1949, as amended, the Local Tax Collection Law of 1945, as amended, and any and all additional applicable laws.</p> <p><u>Deposit Of Tax Receipts</u></p> <ol style="list-style-type: none"> <li>1. The tax collector shall deposit at least weekly, or when \$1,000 in tax payments is collected, into an interest bearing bank account(s). The tax collector shall invest these funds in a legally acceptable local bank account or PLGIT (Pennsylvania Local Government Investment Trust) in an attempt to maximize these interest earnings.</li> <li>2. The tax collector shall remit tax collections to the district at a minimum of once a month.</li> <li>3. The tax collector shall remit to the district its prorated share of the interest earned on the bank account(s) at least quarterly. The interest earnings shall be listed separately from the tax collections. There will be no compensation paid to the collector on the interest earnings.</li> </ol> <p><u>Reports And Record Keeping</u></p> <ol style="list-style-type: none"> <li>1. The tax collector shall keep an accurate account of all monies collected by him/her.</li> </ol>
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2. The tax collector is required to submit monthly a written report on the taxes collected that month to the school district on or before the tenth of the following month. The tax collector is also required to submit a quarterly report on or before April 15, July 15, October 15, and January 15. For example, the fourth quarter report is due by April 15. The reports shall list by category the revenues received and the distributions made. It shall include beginning and ending cash balances. The tax collection reports shall be submitted in a format mutually agreed upon by the municipality and the school district.
3. The tax collector shall complete and return any and all forms or reasonable requests for information by the school district.
4. The tax collector shall keep the tax records current. This shall include, but not be limited to, comparing moving permits, occupancy permits, real estate transfer information, tax certification information, rental forms, and newspaper information to the tax records.

Unpaid Taxes

1. The tax collector shall make every reasonable attempt to collect all unpaid taxes that are due. This shall include, but not be limited to, mailing certified letters, making telephone calls, and working with the Magistrate.
2. The tax collector shall pursue the collection of all applicable interest and penalties.

Expenses

1. The school district shall reimburse the tax collectors, with the exception of Berkheimer Associates, one-half (½) the cost for printing, envelopes, and postage. The tax collector must submit itemized invoices of the expenditures that s/he paid, along with proof of payment in order to be reimbursed by the school district. No expense reimbursement shall be made to Berkheimer Associates. Reimbursement of expenditures is in addition to the tax collector's stipulated compensation.
2. The school district shall pay the premium for its bonds for the tax collectors in Nazareth, Tatamy, and Upper Nazareth. Berkheimer Associates and Lower Nazareth shall pay for the premium for their bonds.

Office Hours

1. The tax collector must have regular office hours and be available to receive and receipt taxes.

Audits

1. The tax collector, acting in a fiduciary capacity for the school district, will be subject to the examination of the collector's records and accounts relating to the school district by the school district's representative(s) and/or public accountant including, but not limited to, the annual audit. The audit shall be conducted at the tax collector's site.
2. When required, the tax collector shall meet with the school district's representative(s) and/or the auditors and answer questions or provide other assistance in the conduct of the audit.
3. The continuing audit process may include a periodic sample mailing of payment confirmations to taxpayers for verification of payment date and amount.

Other

1. The tax collector shall have an alternate authorized signer, in case of the absence of the earned income tax collector, such as the municipal secretary or treasurer. The collector shall provide the district, in writing, with the name, address, and telephone number of the authorized signer, along with a sample of this person's signature.
2. The municipality and the school district may from time to time meet to discuss changes or enhancement to the tax collection process.

The district shall comply with all requirements of the Taxpayer Bill of Rights.

The district shall receive input from the tax collectors before this policy is modified or amended. However, these changes shall be made at the sole discretion of the district.