

Minutes of Tax Collection Committee

April 14, 2011

6:00 p.m.

Mifflin County School District Administration Building

DELEGATES PRESENT:

Sean Daubert-Chairman-MCSD

Robert T. Long- Lewistown Bor.

Teresa King-Brown Twp.

Roland Fagan-McVeytown Bor.

Margaret M. Stewart-Derry Twp.

Harold Johnson-Menno Twp.

Lisa Swisher-Granville Twp.

Sherry L. Miller-Oliver Twp.

QUORUM PRESENT: Yes

OTHERS PRESENT:

Jeffrey L. Snook-Solicitor

Keith Booher, Betty Henry, Debbie LeGuen-MIFFCO Tax Service, Inc.

PUBLIC COMMENT:

None

ACKNOWLEDGE DELEGATE CHANGES IN OLIVER TWP. AND BRATTON TWP.:

Chairman Daubert presented a letter from Oliver Township removing Lisa Heckman as the primary delegate and appointing Sherry L. Miller as the new primary delegate. Chairman Daubert welcomed Sherry to the committee.

A letter was also presented from Bratton Township removing Donald Kauffman as the alternate delegate and appointing Claudia Myers as the new alternate delegate.

REVIEW AND APPROVE MINUTES OF JANUARY 13, 2011:

Motion was made by Robert Long, seconded by Harold Johnson to approve the minutes of January 13, 2011 with two corrections: On page 2 the word PROPOSAL in bold was spelled incorrectly and on page 3 Teresa King's first name was spelled incorrectly. Motion carried by unanimous vote.

CONSIDERATION OF THE TCC PREPARING A COMMON EIT ORDINANCE:

There was a discussion on having Jeff Snook prepare a common Earned Income Tax ordinance and sharing it with the member municipalities. He will be preparing a resolution for the School District. The ordinances for most municipalities are updated and do not reflect the Act 32 changes. In order to make sure they are incorporated by each municipality, it was suggested that a committee be formed to review and approve the ordinance and send it out to all municipalities for adoption. Motion was made by Teresa King, seconded by Roland Fagan, to have the solicitor prepare a draft ordinance for everyone. Motion was passed unanimously.

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Bob Long, Sean Daubert and Harold Johnson were selected to serve on this committee upon motion of Margaret Stewart, seconded by Roland Fagan. Keith Booher requested that the nonresident tax be stressed to the municipalities and make sure they put it on the DCED website. Motion carried unanimously.

DISCUSSION-SECTION 515b2 OF ACT 32 OF 2008-TRANSITION TO NEW TAX COLLECTOR:

Jeff Snook said he was not sure what additional plan needs to be implemented in order to transition since we are using the same collector. If someone wants to collect their own delinquent taxes they would have to notify Miffco of that change.

The plan for the Transition to a new tax collector for the Mifflin County Tax Collection Committee will be as follows: Due to the fact that the tax officer is the same entity that previously collected the taxes under a joint tax collection agreement with the school district, the plan is that that tax officer shall transition as officer from the requirements of an Article 13 officer to the requirements of a tax officer under Article 32. Motion to approve this plan was made by Teresa King, seconded by Harold Johnson and passed unanimously.

DISCUSSION-CHAPTER 125 LOCAL EARNED INCOME TAX RULES AND REGULATIONS:

Jeff Snook presented a proposed set of rules and regulations for local earned income tax. Each member is to review this document and forward comments to Jeff Snook for inclusion in his submission of comments to DCED, Mitch Hoffman. It is not clear if there is a time period for official comments at this time. Bob Long will get Mitch Hoffman's email address to Jeff.

Jeff reviewed various sections of the document and mentioned comments that he had. There is a section on combined returns and combined payments. If an employer has many locations, they would have to notify every collector where they have a store where they will be filing. Then they must file their taxes monthly and electronically.[page 7, (2) 1 & 2]

Under 125.16 the Tax Collection Committee is an independent Governmental Unit and this section provides for borrowing. (page 8)

125.17 covers collection of other taxes. Municipalities want Miffco to continue to collect taxes as they are doing now. Municipalities will have to update their Local Services Tax ordinance also.

DISCUSSION ON LETTER TO MUNICIPALITIES ABOUT LST AND DELINQUENT COLLECTOR:

Jeff stated that there is conflicting information on how to appoint someone to collect other taxes, such as occupation and delinquent taxes. One section says the municipality must appoint the collector and another section says the TCC will appoint the collector. He feels the best course of action is to have each municipality adopt a resolution to say that Miffco will collect these taxes. That way it is uniform.

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Chairman Daubert suggested that when the committee gets together and looks at the ordinance, they can put together a letter to send to each municipality that he and Harold will sign. They will do a resolution and send it with the ordinance. Then we will know it is done. We will avoid problems later. Teresa King made a motion, seconded by Margaret Stewart to have the resolution prepared, reviewed and sent out by the committee. Jeff said once the ordinance is adopted, it has to go to the DCED register to be put in the book. As far as LST and the other ordinances, we can have the tax officer do the collection. Miffco is listed as qualified.

Regulations were to be adopted last year, but they are not done yet.

On Page 16, 13 a person can appeal to the Court of Common Pleas, but there is no time limit included.

125.27 on page 16 Rules for Mediation says the department shall have broad discretion to establish ground rules for the conduct of the mediations, but does not give guidance on where it goes at that point.

125.32 says that a municipality can withdraw within 90 days of 11/15/2013 and each 11/15 every four years after that. You must pass a resolution stating your desire to withdraw. If enough municipalities withdraw, then a new committee is established.

125.36 on page 22 discusses competitive sealed proposals. It is not clear if it all has to be competitive sealed bids or certain things don't have to be. There is no mention of Requests for Proposals.

Please get comments to Jeff in the next two weeks for submission.

#### RFP'S DUE BACK MAY 5:

The RFP's for a tax collection committee record review are due back May 5, 2011. A copy is in the packet. Nothing is back yet, but should come in after tax season is over on Monday, 4/18. Chairman Daubert asked how we should review and choose. Should they be brought back to the entire committee or have a subcommittee. Teresa stated that she felt it should be reviewed by Jeff, Sean Bob and Harold and then brought before the entire committee at the next meeting. The next scheduled meeting is May 12. We have 45 days to review the RFP's and make an appointment. We may not need a meeting next month. It might not be adequate time to review them in one week. June 9 may be the next time we need a meeting.

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Miffco needs to notify employers by sometime in November that they will be collecting this tax next year. Chairman Daubert will email what he has to the group. Then we can be ready to come back to appoint a firm in June.

**NEXT MEETING:**

The next meeting will be June 9, unless otherwise notified.

**TREASURER'S REPORT:**

The Treasurer's Report was prepared by James North, Jr. and was presented to the board for review and approval. The balance to date in the account is \$3,513.57. Chairman Daubert stated that no funds have been requested of the municipalities this year, and when the insurance comes up for renewal in the summer it will be necessary to request funds at that time. Motion to approve the treasurer's report was made by Bob Long, seconded by Harold Johnson and passed unanimously.

**INFORMATIONAL:**

Chairman Daubert presented a letter from DCED stating that the grant has been closed out and we are in good standing with the State.

**ADJOURN:**

Motion to adjourn the meeting was made by Roland Fagan, seconded by Teresa King and passed unanimously at 7:11 p.m.

Respectfully submitted

Lisa J. Swisher  
Granville Township Delegate