



**CHELTENHAM TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE NO. __-20

**AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF
THE TOWNSHIP OF CHELTENHAM, MONTGOMERY
COUNTY, PENNSYLVANIA PURSUANT TO ACT 76 OF 2020 TO
AMEND CODE SECTION 270-52 OF THE TOWNSHIP CODE TO
INCREASE THE EARNED INCOME TAX LEVIED BY THE
TOWNSHIP BY ONE-HALF PERCENT (1/2 %)**

WHEREAS, Cheltenham Township adopted a Home Rule Charter in 1976 in order to exercise the right of self-government to the extent permitted by state law; and

WHEREAS, the Board of Commissioners of Cheltenham Township (“Board of Commissioners”) and its staff and consultants have identified a compelling need to increase the earned income tax for residents and nonresidents by ½ percent to address serious financial shortfalls; and

WHEREAS, the Board of Commissioners has determined that it is in the best interests of the Township to moderately increase the earned income tax rather than increasing the millage for real estate taxes as an equitable and more substantial revenue source; and

WHEREAS, a home rule community is permitted to tax earned income at any rate, 53 Pa. C.S. §2962(b), and Act 76 of 2020 was recently enacted by the General Assembly authorizing an increase in the earned income tax if enacted by the Board of Commissioners.

NOW, THEREFORE, the Board of Commissioners of the Township of Cheltenham hereby ordains and enacts as follows:

Section 1. Cheltenham Township Ordinance No. 1740-91, Article III, codified at Section 270-52 of the Township Code, is hereby amended as follows:

- A. Residents. A tax at the rate of ~~one-half of one percent (1/2 of 1%)~~ is hereby imposed on each dollar of earned income received and net profits earned by residents of the Township.
- B. Nonresidents. A tax at the rate of ~~one percent (1/2%)~~ is hereby imposed on each dollar of earned income received and net profits earned by nonresidents of the Township for work done or services performed or rendered in the Township.

Section 2. Notice. A copy of this Ordinance shall be posted on the Township website promptly.

Section 3. Disclaimer. Nothing in this Ordinance shall limit, in any manner whatsoever, the Township's right to enforce any ordinance or law of Cheltenham Township, Montgomery County or Commonwealth

of Pennsylvania. Nothing in this Ordinance shall be a defense of any citation issued by any municipal corporation or the Commonwealth pursuant to any other law or ordinance.

Section 4. Severability. The provisions of this Ordinance are intended to be severable, and if any section, sentence, clause, part or provision hereof shall be held illegal, invalid or unconstitutional by any court of competent jurisdiction, such decision of the court shall not affect or impair the remaining sections, sentences, clauses, parts or provisions of this Ordinance. It is hereby declared to be the intent of the Board that this Ordinance would have been adopted even if such illegal, invalid or unconstitutional section, sentence, clause, part or provision had not been included herein.

Section 5. Failure to Enforce Not a Waiver. The failure of the Township to enforce any provision of this Ordinance shall not constitute a waiver by the Township of its rights of future enforcement hereunder.

Section 6. Repealer. All Ordinances, or parts of Ordinances, of the Township which shall be inconsistent with this Ordinance shall be, and the same expressly are, repealed.

Section 7. Effective Date. This Ordinance shall become effective on January 1, 2021.

ADOPTED by the Board of Commissioners of Cheltenham Township, in lawful session duly assembled, this 16th day of December, 2020.

ATTEST:

**TOWNSHIP OF CHELTENHAM
BOARD OF COMMISSIONERS**

Robert A. Zienkowski
Township Manager and Secretary

By: _____
Daniel B. Norris, President