



**HILLTOWN TOWNSHIP
BUCKS COUNTY, PENNSYLVANIA
RESOLUTION #2023-012**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF
HILLTOWN TOWNSHIP, BUCKS COUNTY,
PENNSYLVANIA REQUESTING AN AMENDMENT TO THE
STERLING ACT TO REQUIRE THAT UP TO HALF
PERCENT (.5%) OF PHILADELPHIA WAGE TAX PAID BY
NON-RESIDENTS OF PHILADELPHIA BE REMITTED TO
THE MUNICIPALITY IN WHICH THE TAXPAYER
RESIDES**

WHEREAS, Hilltown Township, Bucks County, Pennsylvania has enacted an Earned Income Tax of half (.5%) percent in accordance with the Pennsylvania Local Tax Enabling Act; and

WHEREAS, Hilltown Township relies on the revenue generated by the EIT to provide essential services to its residents and taxpayers, including emergency services that protect the health, safety, and welfare of the community; and

WHEREAS, the City of Philadelphia, pursuant to the Sterling Act of 1932, enacted an Earned Income Tax, also known as a Wage Tax, on both residents of the City, and on non-residents that work in the City; and

WHEREAS, in 1932, the Counties surrounding Philadelphia consisted mainly of farmland with few local government services; and

WHEREAS, in 1932, the Act made sense because residents in the adjacent Counties visited the City on a regular basis to shop, dine, and avail themselves of businesses and services not available in the adjacent Counties, and

WHEREAS, the Sterling Act was only intended to be in effect for a period of one (1) year; and

WHEREAS, over 300 Hilltown Township residents pay Earned Income Tax to the City of Philadelphia at the current non-resident rate of 3.448%; and

WHEREAS, the Sterling Act, unlike the Local Tax Enabling Act, does not require Philadelphia to remit any portion of its Earned Income Tax revenue to the municipality in which the non-resident taxpayer resides, even though the non-resident's home municipality has enacted its own Earned Income Tax; and

WHEREAS, Hilltown Township, under the provisions of the Sterling Act, is not entitled to any remittance from the City of Philadelphia on the non-resident Earned Income Tax paid by its residents to the City, including the half percent (.5%) Earned Income Tax levied by the Township on its residents; and

WHEREAS, Hilltown Township residents who do not work in the City of Philadelphia bear a higher tax burden to support local services because of the inequities caused by the provisions of the Sterling Act; and


WHEREAS, the inequities created by Sterling Act deprive Hilltown Township of annual Earned Income Tax revenue in excess of \$111,000 that could be used to provide essential local government services such as police, fire and emergency medical services; and

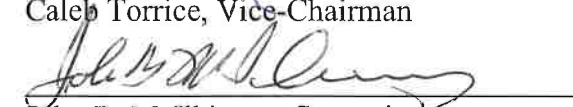
NOW THEREFORE BE IT RESOLVED by the Board of Supervisors of Hilltown Township to formally request the Governor of the Commonwealth of Pennsylvania and the Senators and Representatives of the General Assembly of Pennsylvania to amend the Sterling Act and require that an amount of up to half (.5%) percent of the non-resident Philadelphia Wage Taxes collected from non-residents of Philadelphia be remitted to the municipality in which the taxpayer resides.

RESOLVED this 22nd day of May, 2023

HILLTOWN TOWNSHIP
BOARD OF SUPERVISORS


James C. Groff, Chairman


Caleb Torrice, Vice-Chairman


John B. McIlhinney, Supervisor

ATTEST:


Lorraine E. Leslie,
Township Manager/Secretary