

BOROUGH OF FAWN GROVE
YORK COUNTY, PENNSYLVANIA

ORDINANCE NO. 2003-

AN ORDINANCE OF THE COUNCIL OF THE BOROUGH OF FAWN GROVE, YORK COUNTY, PENNSYLVANIA, AMENDING THE FAWN GROVE BOROUGH EARNED INCOME TAX ORDINANCE OF JUNE, 1968 BY AMENDING THE DEFINITIONS OF "EARNED INCOME" AND "NET PROFITS" PURSUANT TO ACT 166 OF 2002 OF THE GENERAL ASSEMBLY.

IT IS HEREBY ENACTED AND ORDAINED by the Borough Council of Fawn Grove Borough, York County, Pennsylvania, as follows:

Section 1. Section 2, "Definitions" of the Fawn Grove Borough Earned Income Tax Ordinance of June, 1968, of the Code of Ordinances of the Borough of Fawn Grove is hereby amended in part, pursuant to Act 166 of 2002, as follows:

Definitions.

Earned Income: Compensation as determined under Section 303 of the act of March 4, 1971 (P.L. 6, No. 2), known as the "Tax Reform code of 1971," and regulations in 61 Pa. code Pt. I Subpt. B Art. V (relating to person income tax). Employee business expenses are allowable deductions as determined under Article III of the "Tax Reform code of 1971." The amount of any housing allowance provided to a member of the clergy shall not be taxable as earned income.

Net Profits: The net income from the operation of a business, profession, or other activity, except corporations, determined under section 303 of the act of March 4, 1971 (P. L. 6, No. 2), known as the "Tax Reform code of 1971," and regulations in 61 Pa. code Pt. I Subpt. B Art. V (relating to personal income tax). The term does not include income which is not paid for services provided and which is in the nature of earnings from an investment. For taxpayers engaged in the business, profession or activity of farming, the term shall not include:

A. Any interest earnings generated from any monetary accounts or investment instruments of the farming business;

B. Any gain on the sale of farm machinery;

C. Any gain on the sale of livestock held twelve months or more for draft, breeding or dairy purposes; and

D. Any gain on the sale of other capital assets of the farm.

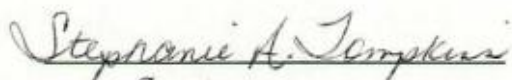
Section 2. The effective date of this Ordinance shall be in accordance with law and with Act 166 of 2002.

Section 3. All Ordinances or parts of this Ordinance which are inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

ENACTED AND ORDAINED by the Borough Council of Fawn Grove Borough, York County, Pennsylvania, on August 4, 2003.

ATTEST:

FAWN GROVE BOROUGH


Secretary

BY 
Vice-President, Borough Council

Approved on August 4, 2003

BY 
Mayor