

ARTICLE VI  
**Business Privilege Tax**  
[Adopted 12-16-1986 as Ord. No. 3101]

**§ 196-37. Title.**

This article shall be known and may be cited as the "Business Privilege Tax Ordinance."

**§ 196-38. Definitions.**

The following words and phrases, when used in this article, shall have the meanings ascribed to them as set forth herein, unless the context clearly indicates a different meaning:

**BUSINESS —**

- A. Carrying on or exercising, whether for gain, profit or otherwise, within the City of Bradford, any trade, service, profession, construction, brokering, communication, consulting or other commercial activity or service, including but not limited to financial business, or making sales to persons or rendering services attributable to activity, an office or other place of business in the City of Bradford.
- B. "Business" shall not include the business or service of any political subdivision; any employment for a wage or salary; or any business or portion thereof upon which the power to levy a tax is withheld by law.

**CITY —** The City of Bradford.

**FINANCIAL BUSINESS —** The service and transactions of banks and bankers, trust, credit and investment companies, where not prohibited by law, holding companies, dealers and brokers in money, credits, commercial paper, bonds, notes, securities and stocks, monetary metals, factors and commission merchants.

**GROSS RECEIPTS —**

- A. Cash, credits (including but not limited to legal obligations assigned by contract to another) and property of every kind and nature received or due from services rendered from or business transacted in, allocable to or attributable to the City of Bradford, without deduction therefrom for any expense or cost of doing business, including but not limited to cost of any property sold or used, material utilized, labor service, interest paid or any other cost or expenditure.
- B. "Gross receipts" shall not include:
  - (1) The amount of any allowance made for goods, wares or merchandise taken by a dealer as a trade-in or as part payment for any other goods, wares and merchandise in the usual and ordinary course of business.
  - (2) In the case of financial business, the cost of securities or other property sold, exchanged, paid at maturity or redeemed; and moneys and credits received in repayment of advances, loans or credits, but not to exceed the principal amount of such advances, credits and loans; and any money or security which is characterized as a deposit owned

to a third party; or any property which is held as security for a loan until such property is sold.

- (3) Any commissions paid by one broker to another on account of a purchase or sales contract initiated, executed or cleared in conjunction with such other broker.
- (4) Receipts by dealers from sales to other dealers in the same line where the dealer transfers title or possession at the same price for which he acquired the goods, wares or merchandise, as long as said dealers have no relation of parent or subsidiary to one another and have no affiliation or other cooperative association with each other.
- (5) Any receipt which is included as part of the measure of the mercantile tax imposed by the City of Bradford pursuant to Article I of this chapter, as amended.
- (6) Receipts or that portion thereof attributable to interstate or foreign commerce or to an office or place of business regularly maintained by the taxpayer outside the City of Bradford for bona fide business purposes and not for the purpose of evading payment of this tax and those receipts which the City is prohibited from taxing by law. Such receipts shall be segregated for reasons of allocation as in § 196-44B of this article.

**PERSON** — Any individual human, partnership, limited partnership, joint venture, corporation, unincorporated association or other entity engaged in business activity. Whenever used in a provision prescribing a fine or penalty, the word "person," as applied to partnerships, shall mean any or all of the partners thereof and, as applied to corporations and unincorporated associations, shall mean the officers thereof.

**TAXPAYER** — Any person, as defined herein, who exercises the privilege of engaging in business, as defined herein.

**TAX YEAR** — The twelve-month period from January 1 through December 31.

**TEMPORARY SEASONAL OR ITINERANT BUSINESS** — Any business conducted at a location in the City for fewer than 60 consecutive days.

**TREASURER OR HIS/HER AUTHORIZED REPRESENTATIVE/AGENT** — The officer of the City who is responsible for the administration, collection and enforcement of the business privilege tax. **[Amended 11-26-2013 by Ord. No. 3101.4]**

### **§ 196-39. Imposition of tax.**

Every person engaging in any business in the City in the year 1987 and for each and every year thereafter shall annually pay a tax of 6.0 mills on each dollar of gross receipts generated by the exercise of that privilege.

### **§ 196-40. Computation of tax.**

- A. Every person subject to the payment of the tax hereby imposed who has commenced his business at least one full year prior to the beginning of any tax year shall compute his annual tax upon the actual receipts generated by that business during the preceding calendar year.
- B. Every person subject to the payment of the tax hereby imposed who commences business less than one full year prior to the current tax year shall compute his tax by multiplying the

receipts generated by the first month of business times the number of months remaining in the tax year. He shall compute his tax for the next succeeding tax year by multiplying the same initial month's receipts times 12. In tax years thereafter, the taxpayer will compute the tax for each annual tax year in accordance with the method set forth in Subsection A.<sup>1</sup>

**§ 196-41. (Reserved)<sup>2</sup>**

**§ 196-42. Registration and returns. [Amended 2-28-1989 by Ord. No. 3101.1]**

- A. Every person subject to the tax imposed by this article shall forthwith register with the Treasurer, setting forth his name, business address, form of business (sole proprietorship, partnership, corporation, etc.) and the nature of the taxpayer's business activity.
- B. Every return shall be made on a form furnished by the Treasurer. Failure to receive a return from the Treasurer in any tax year shall not relieve the taxpayer from the duty of acquiring one.
- C. (Reserved)<sup>3</sup>
- D. (Reserved)
- E. (Reserved)
- F. (Reserved)
- G. Contractors. Every contractor performing work in the City of Bradford shall, before beginning work, at the same time as the building permit is obtained, file a return and pay the tax due thereon based upon the amount they are receiving for performing said contract. **[Amended 9-14-1999 by Ord. No. 3101.2]**

**§ 196-43. Payment of tax.**

Payment of the correct amount of tax is due at the time the return is filed on the form prescribed by the Treasurer, regardless of the type of business or the nature of the taxpayer.

**§ 196-44. Powers and duties of Treasurer.**

- A. It shall be the duty of the Treasurer to collect and receive the taxes, fines, interest and/or penalties due under the provisions of this article and to keep a full and complete record of taxpayers, payments, amounts received and the dates of such receipts.
- B. The Treasurer or his/her authorized representative/agent is hereby charged with the administration and enforcement of this article and is hereby empowered to prescribe, adopt and promulgate such rules and regulations as are necessary to carry out the intent of this enactment, including provision for allocation of receipts not fully taxable by reason of

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1. Editor's Note: Former Subsection C, pertaining to temporary, seasonal, or itinerant taxpayers, was repealed 5-8-2007 by Ord. No. 3101.3.

2. Editor's Note: Former § 196-41, Credits, was repealed 5-8-2007 by Ord. No. 3101.3.

3. Editor's Note: Former Subsections C, D, E and F, regarding payment of taxes and filing of tax returns, were repealed 5-8-2007 by Ord. No. 3101.3.

interstate commerce or operation of law and for the reexamination and correction of returns and of payments alleged or found to be incorrect or as to which an overpayment is claimed or found to have occurred, and to make refunds or give credit, where necessary. **[Amended 11-26-2013 by Ord. No. 3101.4]**

- C. The Treasurer or his/her authorized representative/agent is hereby authorized to compel the production of books, papers and records of any taxpayer or putative taxpayer and to require the attendance of any such person or any person believed to have knowledge of such documents, whether as parties or as witnesses, in order to enforce the provisions of this article. **[Amended 11-26-2013 by Ord. No. 3101.4]**
- D. Any person aggrieved by any provision of this article or by actions of the Treasurer or his/her authorized representative/agent shall have the right to appeal to court in accordance with the Judicial Code. **[Amended 11-26-2013 by Ord. No. 3101.4]**

#### **§ 196-45. Interest and penalties.**

If for any reason the tax is not paid when due, interest at the rate of 6% per annum and penalty at the rate of 1% of the amount of the unpaid tax shall be added and collected for each month or fraction of month for which the tax remains unpaid. Where suit is brought to recover unpaid taxes, the person found liable therefor shall, in addition, be liable for the costs of collection and the interest and penalties which have accrued.

#### **§ 196-46. Violations and penalties. [Amended 11-26-2013 by Ord. No. 3101.4; at time of adoption of Code (see Ch. 1, General Provisions, Art. I)]**

Any person making any false or fraudulently incomplete statement on a return or who refuses to permit inspection of any book, record, paper or other account in his custody or control which is pertinent to any business which has filed a return or which has failed to file a return after the Treasurer or his/her representative/agent has, in accordance with rules and regulations or the provisions of this article, requested the production of such documents or whoever fails or refuses to file a return required by this article in the form furnished by the Treasurer commits a summary offense and, upon conviction, shall be sentenced to pay a fine of not more than \$1,000 or to imprisonment for not more than 90 days, or both.

#### **§ 196-47. Suit for collection. [Amended 2-22-1994 by Ord. No. 3101.1]**

In addition to other remedies for nonpayment of tax provided by this article, the City may file a civil suit to recover taxes due and unpaid, together with interest, penalty and costs. Such suit should be filed within three years after the return was filed or was due, whichever is later, or within three years after a deficiency assessment is made; except, however, that where no return was filed where it was required to be filed or where a fraudulent return was filed, there shall be no limitation of the period during which suit may be filed. Before actual suit has been instituted, but where the tax has been certified to the City Solicitor for collection and/or has been sent to the City's collection agency for collection, a penalty of 10% shall be added to the amount due, together with any interest or other penalties or costs which may be recovered.

**§ 196-48. Payment under protest; refunds.**

The City may accept payments under protest in any case where the taxpayer disputes the validity of the tax or its applicability to the taxpayer or the amount claimed by the City to be due. If it is judicially determined thereafter that such tax was not due or that the amount was incorrect, refund may be made of the amount collected in error. In the absence of a judicial determination, no refund may be made except pursuant to the Refund Enabling Act, 72 P.S. § 5566b.

**§ 196-49. Saving clause.**

If the tax imposed by this article or any portion thereof shall be held by the final decision of a court of competent jurisdiction to be violative of the state or federal constitutional rights of any taxpayer or taxpayers or illegal when applied to a taxpayer or taxpayers, the decision of that court shall not impair the City's right to impose the tax on others for whom the tax is valid.