

No. 2004-223

AN ACT

HB 248

Amending the act of February 1, 1966 (1965 P.L.1656, No.581), entitled "An act concerning boroughs, and revising, amending and consolidating the law relating to boroughs," further providing for tax levy; and making an editorial change.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 1302 of the act of February 1, 1966 (1965 P.L.1656, No.581), known as The Borough Code, amended December 17, 1990 (P.L.739, No.184) and December 18, 1996 (P.L.1156, No.176), is amended to read:

Section 1302. Tax Levy.—(a) The council of the borough shall have power, by ordinance, to levy and collect annually, a tax, not exceeding thirty mills for general borough purposes, unless the council by majority action shall, upon due cause shown by resolution, petition the court of common pleas, in which case the court may order a rate of not more than five mills additional to be levied and in addition thereto any of the following taxes:

(1) An annual tax sufficient to pay interest and principal on any indebtedness incurred pursuant to [**the act of July 12, 1972 (P.L.781, No.185), known as the "Local Government Unit Debt Act,"**] *53 Pa.C.S. Pt. VII Subpt. B (relating to indebtedness and borrowing)* or any prior or subsequent act governing the incurrence of indebtedness of the borough;

(2) To provide for pensions, retirement or the purchase of annuity contracts for borough employes, not exceeding one-half mill;

(3) To defray the cost and expenses of caring for shade trees as provided in section 2729 of this act, and the expense of publishing the notice referred to in such section, not exceeding one-tenth mill;

(4) For lighting and illuminating the streets, highways and other public places with electric light, gas light or other illuminant, not exceeding eight mills;

(5) For gas, water and electric light, not exceeding eight mills, such additional millage permitted only following a favorable referendum on the matter held in accordance with the act of April 16, 1875 (P.L.55), as amended;

(6) For the purchase of fire engines, fire apparatus and fire hose for the use of the borough, or for assisting any fire company in the borough in the purchase, renewal or repair of any of its fire engines, fire apparatus or fire hose, for the purposes of making appropriations to fire companies both within and without the borough and of contracting with adjacent municipalities or volunteer fire companies therein for fire protection, for the training of fire personnel and payments to fire training schools and centers or

for the purchase of land upon which to erect a fire house, or for the erection and maintenance of a fire house or fire training school and center or fire houses, not exceeding three mills.

(i) The borough may appropriate up to one-half, but not to exceed one mill, of the revenue generated from a tax under this clause for the purpose of paying salaries, benefits or other compensation of fire suppression employes of the borough or a fire company serving the borough.

(ii) If an annual tax for the purposes specified in this clause is proposed to be set at a level higher than three mills, the question shall be submitted to the voters of the borough, and the county board of elections shall frame the question in accordance with the election laws of the Commonwealth for submission to the voters of the borough;

(7) For building a fire house, fire training school and center, lockup and/or municipal building, not exceeding two mills, such additional millage permitted only following a favorable referendum on the matter held in accordance with the act of May 4, 1927 (P.L.673);

(8) To establish and/or maintain a local library or to maintain or aid in the maintenance of a local library established by deed, gift or testamentary provision, for the use of the residents of the borough, in accordance with the act of June 14, 1961 (P.L.324, No.188), known as The Library Code.

(9) For the purpose of supporting ambulance [and], rescue [squads] *and other emergency services* serving the borough, not to exceed one-half mill, except as provided in subsection (e). *The borough may appropriate up to one-half of the revenue generated from a tax under this clause for the purpose of paying salaries, benefits or other compensation of employes of the ambulance, rescue or other emergency service.*

(b) The said taxes shall be levied on the dollar on the valuation assessed for county purposes, as now is or may be provided by law. All real property, offices, professions and persons, made taxable by the laws of this Commonwealth for county rates and levies, may, in the discretion of council, be taxed after the same manner for such purposes. No action on the part of the borough authorities fixing the tax rate for any year at a mill rate need include a statement expressing the rate of taxation in dollars and cents on each one hundred dollars (\$100) of assessed valuation of taxable property.

(c) Nothing herein contained shall prevent the application of moneys received from taxes levied for general purposes to the purposes of paying interest and sinking fund charges on indebtedness.

(d) The proceeds of all taxes for which additional millage is hereby authorized shall be kept in a separate fund and used only for the purposes hereby provided therefor: Provided, That the additional taxes authorized by referendum shall continue to be levied annually for so long a period as provided in the question submitted in such referendum, and, in the case of any such taxes for which the question voted upon shall not have stated the duration of such tax, until such tax shall be abolished by vote of the electors in a subsequent referendum.

(e) The tax for supporting ambulance and rescue squads serving the borough shall not exceed the rate specified in subsection (a)(9) except when the question is submitted to the voters of the borough in the form of a referendum which will appear on the ballot in accordance with the election laws of the Commonwealth, in which case the rate shall not exceed two mills. The county board of elections shall frame the question to be submitted to the voters of the borough in accordance with the election laws of the Commonwealth.

Section 2. This act shall take effect in 60 days.

APPROVED—The 1st day of December, A.D. 2004.

EDWARD G. RENDELL