

***SPECIAL***  
***BOARD OF COMMISSIONERS AGENDA***  
***Radnor Township Municipal Building***  
***Zoom Meeting***  
***Wednesday, March 25, 2020 - 6:30 PM***

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1. Pledge of Allegiance
2. Resolution #2020-45 - Extending the Business Privilege and Mercantile Tax filing and payment deadline from May 15, 2020 to July 15, 2020
3. Resolution #2020-46 - Extending the 2020 Real Estate Tax Discount Period to April 30, 2020
4. Adjournment

**Meeting Notice**

There will be a Special Board of Commissioners meeting held on Wednesday, March 25, 2020 at 6:30 PM via Zoom and streamed live on the Radnor township YouTube Channel at <https://www.youtube.com/channel/UCvh6jeMQTvo3ojCTh8wZkBA>. The purpose of meeting is extending the Business Privilege and Mercantile Tax filing and payment deadline from May 15, 2020 to July 15, 2020 and extending the 2020 Real Estate Tax Discount Period to April 30, 2020. Public Comment can be received at [publiccomment@radnor.org](mailto:publiccomment@radnor.org) during the meeting.

## RESOLUTION 2020-45

### **A RESOLUTION OF RADNOR TOWNSHIP, DELAWARE COUNTY, PENNSYLVANIA, TEMPORARILY EXTENDING THE DEADLINE FOR FILING AND PAYMENT OF THE RADNOR TOWNSHIP BUSINESS PRIVILEGE AND MERCANTILE TAX RETURNS FROM MAY 15, 2020 TO JULY 15, 2020 CONSISTENT WITH THE EXTENSION PROVIDED BY THE UNITED STATES GOVERNMENT AND INTERNAL REVENUE SERVICE IN RESPONSE TO THE STATE OF EMERGENCY CURRENTLY IN EFFECT**

**WHEREAS**, there currently exists a state of emergency occasioned by the proliferation of the COVID-19 virus;

**WHEREAS**, many businesses are not currently operating or operating under significant limited conditions as a result of the state of emergency;

**WHEREAS**, in response to the state of emergency, the Internal Revenue Service, on March 17, 2020, announced an extension of payment to July 15, 2020 for all taxpayers owing less One Million Dollars in taxes and on March 20, 2020 announced an extension for the filing of tax returns;

**WHEREAS**, the Radnor Township Code, specifically Section 260, Articles II and III, require that all businesses file and pay the local business privilege and/or mercantile taxes by May 15 of each year;

**WHEREAS**, the Township of Radnor recognizes the hardship currently placed on many of its businesses by the current state of emergency;

**NOW, THEREFORE**, it is hereby **RESOLVED** by the Radnor Township Board of Commissioners that temporary deadlines for the filing and payment of the Final 2019/Estimated 2020 Business Tax Returns be established as follows:

1. The filing and payment deadline for Final 2019/Estimated 2020 Business Privilege and Mercantile Tax Returns are to be consistent with the temporary filing and payment deadlines established by the Internal Revenue Service of July 15, 2020.
2. Any payment made for the Final 2019/Estimated 2020 Business Privilege and Mercantile Tax Returns consistent with the newly established Internal Revenue Service deadline of July 15, 2020 will not accrue penalty and interest. Taxpayers shall be liable for penalty and interest for incorrect returns consistent with past practices of the Township.
3. The extended payment deadline will not apply to delinquent filings or taxes for years prior to 2019 or to Local Services Tax or Amusement Tax or Township fees.

4. The Township may adjust its filing and payment deadlines without further resolution should the Internal Revenue Service make further adjustments, consistent with past practices. Such adjustments by the Township will be posted on the Finance Department section of the Township website.

***SO RESOLVED***, this 25<sup>th</sup> day of March, A.D., 2020

RADNOR TOWNSHIP

By: \_\_\_\_\_

Name: Jack Larkin

Title: President

ATTEST: \_\_\_\_\_

Name: William M. White

Title: Acting Township Manager / Secretary

# Radnor Township



## PROPOSED LEGISLATION

**DATE:** March 21, 2020

**TO:** Board of Commissioners

**FROM:** William White, Acting Township Manager & Finance Director

**LEGISLATION:** Resolution 2020-45 temporarily extending the 2019/Estimated 2020 filing and payment for the Act 511 Business Taxes (Business Privilege and Mercantile) from May 15, 2020 to July 15, 2020 to mirror a similar extension for Federal Income Tax filing / payment by the IRS.

**LEGISLATIVE HISTORY:** On Thursday, March 12, 2020 the President of the Board of Commissioners signed a Declaration of Emergency for Radnor Township to allow Staff to begin responding to the COVID-19 virus situation. That Declaration was subsequently extended by a vote of the Board during a special meeting held on March 16, 2020. At the same time, the IRS extended the 2019 Federal Income Tax filing and payment deadline from April 15, 2020 to July 15, 2020.

**PURPOSE AND EXPLANATION:** In light of the current COVID-19 situation, which has caused many Radnor Businesses to temporarily close, or has significantly disrupted operations, this resolution will provide those businesses an additional 60 days to file and pay their 2019/Estimated 2020 business privilege and/or mercantile taxes. Important factors leading to this resolution include:

- The extension period was chosen to mirror the IRS' extension of the Federal Income Tax due date.
- Language is included in the resolution to allow further extensions to be enacted administratively should the IRS decide to push their due date back from July 15, provided additional extensions mirror the IRS.
- Any 2019/Estimated 2020 payment made during the extension will not accrue penalty or interest, provided returns and payments are made on or before the July 15 deadline and are accurate.
- This resolution does not impact Local Service Taxes, Amusement Tax or Township Fees

**FISCAL IMPACT:** The extension will have minimal impact financially, all things being equal. Instead of realizing the bulk of business revenue in May, the Township will realize those revenues in July. The much larger financial impact will be realized once the impact of the shutdown(s) flow through the 2019 and 2020 Estimated tax fillings beginning in July 2020, then again in 2021, depending on how quickly economic conditions improve. Those impacts will be realized regardless of the filing deadline.

**RECOMMENDED ACTION:** This resolution is meant to assist those business who will need more time to file/pay. This is just one small piece of assistance the Township can provide. That being the case, the Administration respectfully recommends passage at the special BOC meeting to be held on March 25, 2020.

**RESOLUTION NO. 2020-46**

**A RESOLUTION OF RADNOR TOWNSHIP, DELAWARE COUNTY, PENNSYLVANIA, EXTENDING THE DISCOUNT PERIOD FOR THE PAYMENT OF REAL ESTATE TAXES TO APRIL 30, 2020 AND THE FACE DUE DATE TO JUNE 30, 2020**

*WHEREAS*, the current discount period for payment of Township real estate taxes expires on March 31, 2020 and the Face due date is May 31, 2020; and

*WHEREAS*, the COVID-19 disaster declaration has resulted in the Township Building being closed since March 17, 2020 which has disrupted the Real Estate Tax payment process for some Residents; and

*WHEREAS*, additional restrictions imposed by Federal and State Governments have resulted in lost wages, impacting some Residents' ability to pay; and

*WHEREAS*, these factors have prevented Township Residents from meeting this discount deadline and the Board of Commissioners desires to extend the discount period and Face due date for a reasonable time period to accommodate Residents; and

*WHEREAS*, Local Tax Collection Law stipulates that all taxpayers are entitled to a discount of two per centum, "upon making payment of the whole amount thereof within two months after the date of the tax notice"; and

*WHEREAS*, The Board of Commissioners wishes to extend the discount period an additional month to April 30, 2020, which will require the Face due date to be extended to June 20, 2020; and

*NOW, THEREFORE*, be it hereby *RESOLVED* that the Board of Commissioners of Radnor Township does hereby extend the 2% discount rate for payment of Township real estate taxes to April 30, 2020 and the Face due to June 30, 2020.

*SO RESOLVED*, this 25<sup>th</sup> day of March, 2020.

RADNOR TOWNSHIP

By: \_\_\_\_\_  
Name: Jack Larkin Esq.  
Title: President

ATTEST: \_\_\_\_\_  
William M. White, Secretary

# Radnor Township



## PROPOSED LEGISLATION

**DATE:** March 21, 2020

**TO:** Board of Commissioners

**FROM:** William White, Acting Township Manager & Finance Director

A handwritten signature in black ink, appearing to read "William White".

**LEGISLATION:** Resolution 2020-46 extending the Real Estate Tax discount period to April 30, 2020 and the face due date to June 30, 2020.

**LEGISLATIVE HISTORY:** On Thursday, March 12, 2020 the President of the Board of Commissioners signed a Declaration of Emergency for Radnor Township to allow Staff to begin responding to the COVID-19 virus situation. That Declaration was subsequently extended by a vote of the Board during a special meeting held on March 16, 2020.

**PURPOSE AND EXPLANATION:** This resolution is meant to provide real estate taxpayers with more time (30 days) to receive the 2% discount on the 2020 real estate tax bills. Additionally, for those who miss the discount period, extending the face due date from May 31, 2020 to June 30, 2020.

This measure might be helpful to those taxpayers who manage the payment of their real estate taxes (vs. escrow) who might be negatively impacted by the current COVID-19 shutdowns and economic conditions.

**FISCAL IMPACT:** Delaying the discount period might result in some residents receiving a 2% discount that would have otherwise had to pull the full face amount. It will be difficult to calculate what that might be with exact precision. However, being that most real estate taxes are paid through escrow companies, the Township would have already received those payments. Instead, this resolution will serve those who do not have a mortgage and manage their real estate taxes on their own, and provide them 30 additional days.

**RECOMMENDED ACTION:** The Administration respectfully recommends passage of this resolution, providing 30 more days to receive the 2% discount, or 30 more days to pay the face amount in the event a taxpayer cannot pay due to the current shutdown / economic situation.