

**NOTICE OF INTENTION OF SPRING-FORD AREA SCHOOL DISTRICT
TO COLLECT AT LEAST ITS PORTION OF THE EARNED INCOME TAX
FROM SELF FILERS ON A QUARTERLY BASIS**

All residents of the Spring-Ford Area School District (“School District”) are assessed a 1% earned income tax (herein “EIT”). Half of this tax (0.5%) goes to the School District, while the other half (0.5%) goes to the individual municipalities within the School District.

For most residents, the EIT is deducted from their paycheck and forwarded by their employer to Berkheimer Associates (“Berkheimer”), who are under contract to collect and distribute it. Some residents, however, are self-employed, and others are employed by firms that do not automatically deduct the EIT. Many of these residents calculate and pay the EIT in one lump sum at the end of the year. Their state and federal taxes, however, are either withheld by their employer or paid on a quarterly basis.

To bring the EIT more in line with federal and state practices, Berkheimer will now be collecting quarterly installments for at least the School District’s half of the EIT instead of one annual lump sum payment. As of July 1, 2007, individuals who do not have their EIT withheld by their employer or are self-employed will be required to file and remit it on a quarterly basis. This requirement is in accordance with the law governing local earned income taxes and with the School District’s EIT Resolution adopted and enacted May 15, 1968.

Individuals who fail to comply with the quarterly requirement will be subject to interest and penalties on unpaid amounts. The due dates for quarterly EIT filings are as follows: 1st quarter (Jan. 1 through March 31) - due April 30; 2nd Quarter (April 1 through June 30) - due July 31; 3rd Quarter (July 1 through Sept. 30) - due Oct. 31; and 4th Quarter (Oct. 1 through Dec. 31) - due Jan. 31.

In early July, Berkheimer Tax Administrators (“BTA”) will send a notification of the change in collections to all self filers of EIT on record. In September of 2007, BTA will mail estimated payment coupons to self filers for their use when remitting quarterly payments. Questions should be directed to BTA at 610-588-0965 or 866-701-7205 or check its website at: www.hab-inc.com/content/eit.htm.

Fox Rothschild LLP
Spring-Ford Area School District
Board Solicitor