

Susquehanna Township School District

Public Hearing on Occupation and Earned Income Tax Referendum

In accordance with Chapter 4 of the Pennsylvania Local Tax Enabling Act

April 10, 2025



Why are we here?

To ensure that STSD continues to meet the needs of learners in Susquehanna Township, part of what makes our community a great place to live!



Considerations

STSD is the fastest growing school district in Dauphin County. Our facilities need to be expanded due to enrollment increases.

19% ↑

**increase in enrollment since
2017 (500+ additional students)**



Considerations

Growth is good for our community, but overcrowding negatively impacts students.

- **Increases distractions and noise**
- **Reduces access to learning resources**
- **Increases teacher stress and burnout**
- **Studies link overcrowding to lower achievement**



Considerations

It's time to get learners out of crowded temporary space and into a new elementary school! STSD already has 42 acres awaiting development.

20

Pre-fab modular spaces are currently serving as classrooms



Current Modular Classrooms



New Elementary School Rendering



New Elementary School Rendering



New Elementary School Rendering



Considerations

Current local tax structure and limited tax base fall short of what the district needs to fully deliver its promise of educational opportunities for every learner.

11% ↓

**STSD revenue per student
is 11% lower than peers**



Proposal

Invest in the educational opportunities our community deserves and expects by:

Replacing the occupational tax with an increase in the earned income tax



Earned Income Tax – What is it?

- Applies to employee earnings and net profits
- Fairer method vs. a flat tax
- Payroll deduction or quarterly/annual filings



Increase to 1.10% from .50%



Earned Income Tax

- Retirement income NOT subject to EIT!

**Pension and Social Security
income are exempt!**



Occupational Tax – What is it?

- \$270 annual flat-tax assessed to working individuals age 18-69 earning \$5,000+



X

Eliminate



Impact on wage earning individuals (age 18-69):

Median wage earner (\$49,082)

Under current tax structure = \$515 due

Under proposed tax structure = \$540 due

Increase = \$25 a year or about \$2.08 / mo.



Impact on wage earning individuals (age 18-69):

Average wage earner (\$59,549)

Under current tax structure = \$568 due

Under proposed tax structure = \$655 due

Increase = \$87 a year or about \$7.25 / mo.



Impact on wage earning individuals (age 18-69):

Worker earning \$5,001

Under current tax structure = \$295 due

Under proposed tax structure = \$55 due

Savings = \$240



If you vote YES on the referendum:

- Increase educational opportunities
- Helps finance new elementary school
- Relieves overcrowding
- Fairer method of revenue generation

World-class Schools = Higher Property Values and Robust Local Economy!



If the referendum doesn't pass:

- Overcrowding in our schools persists
- Negative impacts to students and our local community
- Diminishes ability to attract families and businesses
- Harms property values and local economy



Additionally:

If referendum passes, STSD Board of Directors will consider eliminating both the School Per Capita Tax and the School Residence Tax

Annual savings = \$10 per person



Voting YES is a Vote for our Community!

November 4 Ballot Referendum

Do you favor eliminating the Susquehanna Township School District flat rate occupation tax effective July 1, 2026, and increasing the rate of the Susquehanna Township School District earned income tax from .50% to a new School District earned income tax rate of 1.1% effective January 1, 2027?

On November 4, Vote YES!



Voting YES is a Vote for our Community!

www.hannasd.org/eit



On November 4, Vote YES!



Questions

