

TOWNSHIP OF LOWER MERION

LEGAL AFFAIRS COMMITTEE

**Wednesday, July 10, 2024
7:50 PM (Approximately)**

Chairperson: Daniel Bernheim
Vice Chairperson: Joshua Grimes, Gilda Kramer

REVISED AGENDA

1. AUTHORIZATION TO SETTLE BUSINESS TAX LITIGATION



AGENDA ITEM INFORMATION

ITEM: AUTHORIZATION TO SETTLE BUSINESS TAX LITIGATION

Consider for recommendation to the Board of Commissioners authorization to settle litigation with Audacy Radio for the proper payment of business taxes to the Township for the years 2012-2017 in the amount of \$2,017,139.

PUBLIC COMMENT

ATTACHMENTS:

Description	Type
☐ Issue Briefing - Business Tax Settlement	Issue Briefing

TOWNSHIP OF LOWER MERION

Legal Affairs Committee

Issue Briefing

Topic: Settlement of Business Tax Litigation

Prepared By: Ernie McNeely, Township Manager

Date: July 9, 2024

I. Action To Be Considered By The Board:

The Board is being asked to consider a settlement of litigation of a business tax matter.

II. Why This Issue Requires Board Consideration:

The Board of Commissioners must authorize a settlement of this type of litigation when it exceeds the settlement authority granted to the Township Manager.

III. Current Policy Or Practice (If Applicable):

There are no specific policy provisions, settlements are a case-by-case determination based on the facts of each case.

IV. Other Relevant Background Information:

This case involves litigation between the Township and a former local business Entercom Radio now Audacy Radio for the proper payment of business taxes to the Township for the years 2012-2017. The Township has been in discussions and litigation with the business regarding the appropriate taxable income and has recently reached a settlement agreement for the payment of prior business taxes and interest.

The details of the settlement have been discussed by the Board of Commissioners in Executive Session.

V. Impact On Township Finances:

The settlement will require the payment of \$2,017,139 for prior years' business taxes and interest to the Township. The settlement recovers prior year taxes and avoids future litigation expense.

VI. Staff Recommendation:

Staff recommends the Board of Commissioners approve the proposed settlement agreement.