
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 682

Session of
1981

INTRODUCED BY BOWSER, HAYES, D. R. WRIGHT, DIETZ, BRANDT,
DOMBROWSKI, WILT, PUNT, LEVI, PETERSON, A. C. FOSTER, JR.,
STUBAN, DeVERTER, COLE, BURD, GEIST, CAPPABIANCA, WENGER,
DeWEESE, CALTAGIRONE, VROON, BITTLE, CIMINI, MERRY, SWIFT,
BOYES, MACKOWSKI, LEHR, GRIECO, ANDERSON, WASS, JOHNSON,
HONAMAN, NOYE, MILLER, ARMSTRONG, LIVENGOD, LETTERMAN,
PETRARCA, STEWART, GRUITZA, ZWIKL, RITTER, STEIGHNER,
VAN HORNE, TIGUE, BLAUM, CAWLEY, SIRIANNI, WOZNIAK, PHILLIPS,
DORR, TELEK, J. L. WRIGHT, SIEMINSKI AND LLOYD,
FEBRUARY 18, 1981

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, NOVEMBER 22, 1982

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," further providing for the definition of "utility
11 realty," FURTHER PROVIDING FOR EXCLUSIONS FROM TAXATION <—
12 RELATING TO THE SALE AT RETAIL OF CERTAIN PERIODICALS, THE
13 RETAIL SALE OF CERTAIN BUSES, THE DISCLOSURE OF CERTAIN
14 INFORMATION, the payment of taxes, excluding transfers to
15 nature conservancies from the realty transfer tax AND FURTHER <—
16 PROVIDING FOR EXCLUSION FROM THE SALES AND USE TAX.

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

19 SECTION 1. CLAUSE (30) OF SECTION 204, ACT OF MARCH 4, 1971 <—
20 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM CODE OF 1971," IS

1 AMENDED AND A CLAUSE IS ADDED TO READ:

2 SECTION 204. EXCLUSIONS FROM TAX.--THE TAX IMPOSED BY
3 SECTION 202 SHALL NOT BE IMPOSED UPON

4 * * *

5 (30) THE SALE AT RETAIL OR USE OF PERIODICALS AND
6 PUBLICATIONS WHICH ARE PUBLISHED AT REGULAR INTERVALS NOT
7 EXCEEDING THREE MONTHS, AND WHICH ARE CIRCULATED AMONG THE
8 GENERAL PUBLIC AND CONTAINING MATTERS OF GENERAL INTEREST AND
9 REPORTS OF CURRENT EVENTS: ~~PROVIDED, HOWEVER, THAT PERIODICALS~~ <—
10 PUBLISHED FOR THE PURPOSE OF DISSEMINATING INFORMATION OF A
11 PUBLIC CHARACTER OR DEVOTED TO LITERATURE, THE SCIENCES, ART OR
12 SOME SPECIAL INDUSTRY. SHALL NOT BE SUBJECT TO THE TAX. THIS <—
13 EXCLUSION SHALL ALSO INCLUDE ANY PRINTED ADVERTISING MATERIAL
14 CIRCULATED WITH SUCH PERIODICAL OR PUBLICATION REGARDLESS OF
15 WHERE OR BY WHOM SUCH PRINTED ADVERTISING MATERIAL WAS PRODUCED.

16 * * *

17 ~~(43) THE SALE AT RETAIL OF BUSES TO BE USED UNDER CONTRACT~~ <—
18 ~~WITH A SCHOOL DISTRICT. OR USE OF BUSES TO BE USED EXCLUSIVELY~~ <—
19 FOR THE TRANSPORTATION OF CHILDREN FOR SCHOOL PURPOSES.

20 Section 2. Subsection (a) of section 356 of the act, amended
21 December 6, 1972 (P.L.1432, No.315), is amended to read:

22 Section 356. Cooperation with Other Governmental Agencies.--

23 (a) Notwithstanding the provisions of subsection (f) of section
24 353, the department may permit the Commissioner of Internal
25 Revenue of the United States, or the proper officer of any
26 political subdivision of this Commonwealth or of any other state
27 imposing tax based upon the incomes of individuals, or the
28 authorized representative of such officer, to inspect the tax
29 returns of any taxpayer, or may furnish to such officer or his
30 authorized representative an abstract of the return of income of

1 any taxpayer, or supply him with information concerning any item
2 of income contained in any return of any taxpayer. Such
3 permission shall be granted or such information furnished to
4 such officer or his representative only if the statutes of the
5 United States or of such other state, as the case may be, grant
6 substantially similar privileges to the proper officer of this
7 Commonwealth charged with the administration of the personal
8 income tax law thereof. ~~PROVIDED, THAT AN AN OFFICER OR~~ <—

9 AUTHORIZED AGENT OF ANY COUNTY IMPOSING A PERSONAL PROPERTY TAX
10 SHALL BE ENTITLED TO ONLY FURNISHED THE FOLLOWING INFORMATION <—
11 FROM SUCH RETURNS UPON PAYMENT TO THE DEPARTMENT OF THE COST OF <—
12 COLLECTING AND REPRODUCING THE REQUESTED INFORMATION:

13 (1) NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF THE
14 TAXPAYER; AND

15 (2) IF THE TAXPAYER HAS REPORTED DIVIDENDS OR INTEREST.

16 * * *

17 Section ± 3. Clause (3) of section 1101-A and subsection (a) <—
18 of section 1104-A, ~~act of March 4, 1971 (P.L.6, No.2), known as~~ <—
19 ~~the "Tax Reform Code of 1971,"~~ added July 4, 1979 (P.L.60,
20 No.27), are amended to read:

21 Section 1101-A. Definitions.--The following words, terms and
22 phrases when used in this article shall have the meaning
23 ascribed to them in this section, except where the context
24 clearly indicates a different meaning:

25 * * *

26 (3) "Utility realty." All lands, together with all
27 buildings, towers, smokestacks, dams, dikes, canals, cooling
28 towers, storage tanks, reactor structures, pump houses,
29 supporting foundations, enclosing structures, supporting
30 structures, containment structures, reactor containment outer

1 shells, reactor containment vessels, turbine buildings, recovery
2 tanks, solid waste area enclosures, primary auxiliary buildings,
3 containment auxiliary safeguard structures, fuel buildings,
4 decontamination buildings, and, all other structures and
5 enclosures whatsoever which are physically affixed to the land,
6 no matter how such structures and enclosures are designated and
7 without regard to the classification thereof for local real
8 estate taxation purposes, but not including machinery and
9 equipment, whether or not housed within such building, structure
10 or enclosure, located within this Commonwealth and owned by a
11 public utility either directly or by or through a subsidiary,
12 which are used or are in the course of development or
13 construction for use, in the furnishing, including producing,
14 storing, distributing or transporting, of public utility service
15 and which are not subject to local real estate taxation under
16 any law in effect on April 23, 1968: Provided, however, That the
17 following specified items shall be exempt from the tax hereby
18 imposed:

19 (i) Easements or similar interests.

20 (ii) Railroad rights-of-way and superstructures thereon.

21 (iii) Pole, transmission tower, pipe, rail or other lines
22 whether or not said lines are attached to the land or to any
23 structure or enclosure which is physically affixed to the land.

24 (iv) All lands, together with all buildings, dams, dikes,
25 canals, pump houses, supporting structures, supporting
26 foundations, turbine buildings and all other structures and
27 enclosures whatsoever which are physically affixed to the land,
28 no matter how such structures and enclosures are designated and
29 without regard to the classification thereof for local real
30 estate taxation purposes which are used or useful in the

1 furnishing, including producing, storing, distributing or
2 transporting, of hydroelectric power and energy: Provided,
3 however, That the exemptions under this subclause shall not
4 apply to items and lands which on the effective date of this act
5 were used to furnish hydroelectric power and energy; and that
6 the exemptions under this subclause shall commence in the first
7 year in which the item or land is used and useful in furnishing
8 hydroelectric power and energy, and shall remain in effect for a
9 period of ten consecutive years thereafter.

10 * * *

11 Section 1104-A. Effect of Payment; Additional Assessment.--

12 (a) Payment of, or any exemption, created as the result of this
13 act, from the tax imposed by the act of March 10, 1970 (P.L.168,
14 No.66), known as the "Public Utility Realty Tax Act," or section
15 1102-A, or section 1103-A, and the distribution to local taxing
16 authorities prescribed by section 1107-A, shall be in lieu of
17 local taxes upon utility realty, as contemplated by Article
18 VIII, section 4, of the Constitution of Pennsylvania: Provided,
19 That in exempting the tax imposed by this article, the
20 Commonwealth shall reimburse local taxing authorities for
21 property taxes foregone by this act.

22 * * *

23 Section ~~2~~ 4. The definition of "document" in section 1101-C <—
24 of the act, added May 5, 1981 (P.L.36, No.14), is amended to
25 read:

26 Section 1101-C. Definitions.--The following words when used
27 in this article shall have the meanings ascribed to them in this
28 section, except in those instances where the context clearly
29 indicates a different meaning:

30 * * *

1 "Document." Any deed, instrument or writing whereby any
2 lands, tenements or hereditaments within this Commonwealth or
3 any interest therein shall be quitclaimed, granted, bargained,
4 sold, or otherwise conveyed to the grantee, purchaser, or any
5 other person, but does not include wills, mortgages, transfers
6 between corporations operating housing projects pursuant to the
7 Housing and Redevelopment Assistance Law and the shareholders
8 thereof, transfers between nonprofit industrial development
9 agencies and industrial corporations purchasing from them, any
10 transfers to nonprofit industrial development agencies,
11 transfers to a nature conservancy or similar organization which
12 possesses a tax-exempt status pursuant to section 501(c)(3) of
13 the Internal Revenue Code, and which has as its primary purpose
14 the preservation of land for historic, recreational, scenic,
15 agricultural or open space opportunities, and transfers between
16 husband and wife, transfers between persons who were previously
17 husband and wife but who have since been divorced provided such
18 transfer is made within three months of the date of the granting
19 of the final decree in divorce, or the decree of equitable
20 distribution of marital property, whichever is later, and the
21 property or interest therein subject to such transfer was
22 acquired by the husband and wife or husband or wife prior to the
23 granting of the final decree in divorce, transfers between
24 parent and child or the spouse of such a child or between parent
25 and trustee for the benefit of a child or the spouse of such
26 child, transfers between a grandparent and grandchild or the
27 spouse of such grandchild, by and between a principal and straw
28 party for the purpose of placing a mortgage or ground rent upon
29 the premises, correctional deeds without consideration,
30 transfers to the United States, the Commonwealth of

1 Pennsylvania, or to any of their instrumentalities, agencies or
2 political subdivisions, by gift, dedication or deed in lieu of
3 condemnation, or deed of confirmation in connection with
4 condemnation proceedings, or reconveyance by the condemning body
5 of the property condemned to the owner of record at the time of
6 condemnation which reconveyance may include property line
7 adjustments provided said reconveyance is made within one year
8 from the date of condemnation, leases, a conveyance to a trustee
9 under a recorded trust agreement for the express purpose of
10 holding title in trust as security for a debt contracted at the
11 time of the conveyance under which the trustee is not the lender
12 and requiring the trustee to make reconveyance to the grantor-
13 borrower upon the repayment of the debt, or a transfer by the
14 owner of previously occupied residential premises to a builder
15 of new residential premises when such previously occupied
16 residential premises is taken in trade by such builder as part
17 of the consideration from the purchaser of a new previously
18 unoccupied residential premises or any transfer from a [purchase <—
19 money] mortgagor to the [vendor holding the purchase money <—
20 mortgage] mortgagee whether pursuant to a foreclosure or in lieu <—
21 thereof, or conveyances to municipalities, townships, school
22 districts and counties pursuant to acquisition by
23 municipalities, townships, school districts and counties of tax
24 delinquent properties at sheriff sale or tax claim bureau, or
25 any transfer between religious organizations or other bodies or
26 persons holding title to real estate for a religious
27 organization if such real estate is not being or has not been
28 used by such transferor for commercial purposes, or in any
29 sheriff sale instituted by a mortgagee in which the purchaser of
30 said sheriff sale is the mortgagee who instituted said sale.

1 * * *

2 Section 3 5. This act shall take effect ~~in 60 days~~ JULY 1, <—
3 1983.