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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL**

**No. 393**      Session of  
1991

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INTRODUCED BY CORRIGAN, PESCI, TRELLO, HALUSKA, GODSHALL AND  
DALEY, FEBRUARY 12, 1991

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REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 12, 1991

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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 defining "tangible personal property"  
11 with respect to new manufactured housing; and further  
12 providing for the imposition of the tax thereon.

13 The General Assembly of the Commonwealth of Pennsylvania  
14 hereby enacts as follows:

15 Section 1. Section 201(m) of the act of March 4, 1971  
16 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended  
17 August 31, 1971 (P.L.362, No.93), is amended to read:

18 Section 201. Definitions.--The following words, terms and  
19 phrases when used in this Article II shall have the meaning  
20 ascribed to them in this section, except where the context  
21 clearly indicates a different meaning:

22 \* \* \*

1 (m) "Tangible personal property." Corporeal personal  
2 property including, but not limited to, goods, wares,  
3 merchandise, steam and natural and manufactured and bottled gas  
4 for non-residential use, electricity for non-residential use,  
5 intrastate telephone and telegraph service for non-residential  
6 use, spirituous or vinous liquor and malt or brewed beverages  
7 and soft drinks; but the term shall not include household  
8 supplies purchased at retail establishments for residential  
9 consumption, including but not limited to, soaps, detergents,  
10 cleaning and polishing preparations, paper goods, household  
11 wrapping supplies and items of similar nature, or sanitary  
12 napkins, tampons or similar items used for feminine hygiene. Nor  
13 shall said term include steam, natural and manufactured and  
14 bottled gas, fuel oil, electricity or intrastate telephone or  
15 telegraph service when purchased directly by the user thereof  
16 solely for his own residential use. New manufactured housing or  
17 a new mobilehome, which bears a label as required by and  
18 referred to in the act of November 17, 1982 (P.L.676, No.192),  
19 known as the "Manufactured Housing Construction and Safety  
20 Standards Authorization Act," which certifies that it conforms  
21 to Federal construction and safety standards adopted pursuant to  
22 the National Manufactured Housing Construction and Safety  
23 Standards Act of 1974 (Public Law 93-383, 42 U.S.C § 5401 et  
24 seq.), as amended, shall be deemed to be tangible personal  
25 property only when there is a transfer of the ownership, custody  
26 or possession of the manufactured housing for a consideration,  
27 from a manufacturer to a dealer, for further transfer by that  
28 dealer to an ultimate consumer or, when there is no dealer, from  
29 a manufacturer to an ultimate consumer, for any use, including  
30 use as living quarters or for commercial or rental purposes.

1 Used manufactured housing or used mobilehomes shall not be  
2 deemed to be tangible personal property.

3 Section 2. Section 202 of the act is amended by adding a  
4 subsection to read:

5 Section 202. Imposition of Tax.--\* \* \*

6 (e) Notwithstanding any other provisions of this article,  
7 the tax with respect to the sale or use of new manufactured  
8 housing, as defined in section 201(m) of this article, shall be  
9 imposed at the time the manufactured housing is transferred from  
10 the manufacturer to a dealer or, if there is no dealer, from a  
11 manufacturer to the ultimate consumer, and shall be computed on  
12 the total amount billed by the manufacturer to the dealer or, if  
13 there is no dealer, to the ultimate consumer. The tax shall be  
14 reported and paid to the Commonwealth by the manufacturer who  
15 transfers the ownership, custody or possession or the  
16 manufactured housing to the dealer or to the ultimate consumer  
17 and shall be collected from the dealer or, if there is no  
18 dealer, from the ultimate consumer: Provided, However, That if  
19 the tax is not reported and paid by the manufacturer who  
20 transfers the manufactured housing, and such tax cannot be  
21 assessed against and collected from the manufacturer because  
22 that manufacturer is not doing business within this  
23 Commonwealth, then the dealer or, if there is no dealer, the  
24 ultimate consumer shall be responsible for payment of the tax.

25 Section 3. Section 237(b)(1) of the act, amended December  
26 28, 1972 (P.L.1633, No.340), is amended to read:

27 Section 237. Collection of Tax.--\* \* \*

28 (b) Collection by Persons Maintaining a Place of Business in  
29 the Commonwealth. (1) Every person maintaining a place of  
30 business in this Commonwealth and selling or leasing tangible

1 personal property or services, [including the selling or leasing  
2 as tangible personal property mobilehomes as defined in "The  
3 Vehicle Code" whether or not a certificate of title is issued by  
4 the department,] the sale or use of which is subject to tax  
5 shall collect the tax from the purchaser or lessee at the time  
6 of making the sale or lease, and shall remit the tax to the  
7 department, unless such collection and remittance is otherwise  
8 provided in this act.

9 \* \* \*

10 Section 4. The act is amended by adding a section to read:

11 Section 1102-C.1. Imposition of Tax on Manufactured Housing  
12 and Mobilehomes.--(a) Every person, including a manufacturer or  
13 dealer of new and used homes as referred to in section 201(m),  
14 not otherwise subject to tax pursuant to section 1102-C of this  
15 article, who transfers the ownership, custody or possession of  
16 the manufactured housing or mobilehome for a consideration,  
17 shall collect from the purchaser thereof a State tax at the rate  
18 of two per cent of the value of the manufactured housing or  
19 mobilehome, which value shall be determined by the total amount  
20 billed by the person transferring the ownership, custody or  
21 possession. This State tax shall be collected at the time the  
22 transfer of the ownership, custody or possession of the  
23 manufactured housing or mobilehome and shall be payable to the  
24 department. Payment of the tax imposed by this section may, but  
25 need not, be evidenced by the affixing of a documentary stamp or  
26 stamps.

27 (b) Within thirty days of the receipt of the amount of the  
28 tax imposed by this section, the department shall transmit one-  
29 half of such amount to the recorder of deeds in the county in  
30 which is located the political subdivision where the

1 manufactured housing or mobilehome will be permanently attached  
2 to land or connected with water, gas, electric or sewage  
3 facilities. As required by section 6(c) of the act of November  
4 1, 1971 (P.L.495, No.113), entitled, as amended, "An act  
5 providing for the compensation of county officers in counties of  
6 the second through eighth classes, for compensation of district  
7 attorneys in cities and counties of the first class, for the  
8 disposition of fees, for filing of bonds in certain cases and  
9 for duties of certain officers," the recorder of deeds shall be  
10 the collection agent for the political subdivision levying a  
11 local realty transfer tax. If the political subdivision does not  
12 levy a local realty transfer tax, the recorder of deeds shall  
13 deposit the amount of the tax in the general fund of the county.

14 (c) Manufactured housing or mobilehomes to which this  
15 section applies, and pursuant to which the tax provided for by  
16 this section has been collected and paid, shall not be subject  
17 to local real estate transfer taxes or deed transfer taxes  
18 pursuant to section 2(1) of the act of December 31, 1965  
19 (P.L.1257, No.511), known as "The Local Tax Enabling Act."

20 Section 5. This act shall apply on January 1, 1992, with  
21 respect to new manufactured housing transferred from a  
22 manufacturer to a dealer or, if there is no dealer, to an  
23 ultimate consumer on or after that date. This act shall apply on  
24 January 1, 1992, with respect to used manufactured housing or  
25 used mobile homes transferred to an ultimate consumer on or  
26 after that date. Manufactured housing or mobile homes  
27 transferred prior to that date shall be subject to tax as  
28 provided for under existing law.

29 Section 6. This act shall take effect immediately.