

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2773 Session of
1994

INTRODUCED BY DEMPSEY, PETRONE, HENNESSEY, TRELLO AND SAURMAN,
MAY 18, 1994

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MAY 18, 1994

AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),
2 entitled "An act empowering cities of the second class,
3 cities of the second class A, cities of the third class,
4 boroughs, towns, townships of the first class, townships of
5 the second class, school districts of the second class,
6 school districts of the third class and school districts of
7 the fourth class including independent school districts, to
8 levy, assess, collect or to provide for the levying,
9 assessment and collection of certain taxes subject to maximum
10 limitations for general revenue purposes; authorizing the
11 establishment of bureaus and the appointment and compensation
12 of officers, agencies and employes to assess and collect such
13 taxes; providing for joint collection of certain taxes,
14 prescribing certain definitions and other provisions for
15 taxes levied and assessed upon earned income, providing for
16 annual audits and for collection of delinquent taxes, and
17 permitting and requiring penalties to be imposed and
18 enforced, including penalties for disclosure of confidential
19 information, providing an appeal from the ordinance or
20 resolution levying such taxes to the court of quarter
21 sessions and to the Supreme Court and Superior Court,"
22 providing for a hotel room occupancy tax.

23 The General Assembly of the Commonwealth of Pennsylvania
24 hereby enacts as follows:

25 Section 1. The act of December 31, 1965 (P.L.1257, No.511),
26 known as The Local Tax Enabling Act, is amended by adding a
27 section to read:

1 Section 13.1. Hotel Room Occupancy Tax.--(a) Counties of
2 the third through eighth class are hereby authorized to impose
3 an excise tax of five percent of the income received by each
4 operator of a hotel within the county from each transaction of
5 renting a room or rooms to transients. The tax shall be
6 collected by the operator from the patron of the room and paid
7 over to the county.

8 (b) The treasurer of each county of the third through eighth
9 class electing to impose the tax authorized under this section
10 shall collect the tax revenues and deposit them in a special
11 fund. The revenues shall be distributed as follows:

12 (1) One-third of the revenues shall be distributed to a
13 recognized promotion agency for promotional programs designed to
14 stimulate and increase the volume of conventions and visitors
15 within the county.

16 (2) One-third of the revenues shall be used for the purposes
17 of street repairs and improvements as determined by the host
18 municipality.

19 (3) One-third shall be retained by the county for purposes
20 determined by the county.

21 (c) As used in this section:

22 "Consideration" means receipts, fees, charges, rentals,
23 leases, cash, credits, property of any kind or nature, or other
24 payment received by operators in exchange for or in
25 consideration of the use or occupancy by a transient of a room
26 or rooms in a hotel for any temporary period.

27 "Host municipality" means a city, township, town, borough or
28 home rule municipality in counties of the third through eighth
29 class which has a hotel or hotels within its boundaries.

30 "Hotel" means a hotel, motel, inn, guest house, bed and

1 breakfast or other building located within a municipality which
2 holds itself out by any means, including advertising, license,
3 registration with an innkeeper's group, convention listing
4 association, travel publication or similar association or with
5 any government agency, as being available to provide overnight
6 lodging or use of facility space for consideration to persons
7 seeking temporary accommodations; any place which advertises to
8 the public at large or any segment thereof that it will provide
9 beds, sanitary facilities or other space for a temporary period
10 to members of the public at large or any segment thereof that it
11 will provide beds, sanitary facilities or other space for a
12 temporary period to members of the public at large; any place
13 recognized as a hostelry: Provided, That portions of such
14 facility which are devoted to persons who have established
15 permanent residence shall not be included in this definition.

16 "Occupancy" means the use or possession or the right to the
17 use or possession by any person other than a permanent resident
18 of a room in a hotel for any purpose or the right to the use or
19 possession of the furnishings or to the services accompanying
20 the use and possession of the room.

21 "Operating deficit" means the excess of expenses over
22 receipts from the operation and management of a convention
23 center or exhibit hall.

24 "Operator" means any individual, partnership, nonprofit or
25 profit-making association or corporation or other person or
26 group of persons who maintain, operate, manage, own, have
27 custody of or otherwise possess the right to rent or lease
28 overnight accommodations in a hotel to the public for
29 consideration.

30 "Patron" means any person who has occupied or has the right

1 to occupancy of any room or rooms in a hotel as a patron or
2 otherwise for a period exceeding thirty consecutive days.

3 "Recognized tourist promotion agency" means the nonprofit
4 corporation, organization, association or agency which is and
5 has been engaged in planning and promoting programs designed to
6 stimulate and increase the volume of tourist, visitor and
7 vacation business within counties served by such agencies as
8 that term is defined in the act of April 28, 1961 (P.L.111,
9 No.50), known as the "Tourist Promotion Law," and which
10 particular nonprofit corporation, organization, association or
11 agency heretofore has been recognized by the Department of
12 Commerce in accordance with the terms of the "Tourist Promotion
13 Law."

14 "Room" means a space in a hotel set aside for use and
15 occupancy by patrons or otherwise, for consideration, having at
16 least one bed or other sleeping accommodation.

17 "Street repairs and improvements" means those repairs and
18 improvements eligible for funding under the act of June 1, 1956
19 (1955 P.L.1944, No.655), referred to as the Liquid Fuels Tax
20 Municipal Allocation Law.

21 "Temporary" means a period of time not exceeding thirty
22 consecutive days.

23 "Transaction" means the activity involving the obtaining by a
24 transient or patron of the use or occupancy of a hotel room from
25 which consideration emanates to the operator under an express or
26 an implied contract.

27 "Transient" means an individual who obtains accommodations in
28 a hotel for himself by means of registering at the facility for
29 the temporary occupancy of a room for his personal use by paying
30 to the operator of the facility a fee in consideration thereof.

1 Section 2. This act shall take effect in 60 days.