

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2281 Session of
1995

INTRODUCED BY MAITLAND, DECEMBER 13, 1995

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, DECEMBER 13, 1995

AN ACT

1 Requiring the imposition of a hotel room occupancy tax in
2 certain boroughs and second-class townships.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Borough and
7 Second-class Township Hotel Occupancy Tax Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Consideration." Receipts, fees, charges, rentals, leases,
13 cash, credits, property of any kind or nature or other payment
14 received by operators in exchange for or in consideration of the
15 use or occupancy by a transient of a room or rooms in a hotel
16 for any temporary period.

17 "Municipality." A borough or second-class township which has
18 a hotel or hotels within its boundaries.

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

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

19 "Operator." Any individual, partnership, nonprofit or
20 profit-making association or corporation or other person or
21 group of persons who maintain, operate, manage, own, have
22 custody of or otherwise possess the right to rent or lease
23 overnight accommodations in a hotel to the public for
24 consideration.

25 "Patron." Any person who has occupied or has the right to
26 occupancy of any room or rooms in a hotel for a period exceeding
27 30 consecutive days.

28 "Room." A space in a hotel set aside for use and occupancy
29 by patrons or otherwise, for consideration, having at least one
30 bed or other sleeping accommodation.

1 "Street repairs and improvements." Those repairs and
2 improvements eligible for funding under the act of June 1, 1956
3 (1955 P.L.1944, No.655), referred to as the Liquid Fuels Tax
4 Municipal Allocation Law.

5 "Transaction." The activity involving the obtaining by a
6 transient or patron of the use or occupancy of a hotel room from
7 which consideration emanates to the operator under an express or
8 an implied contract.

9 "Transient." An individual who obtains accommodations in a
10 hotel for himself by means of registering at the facility for
11 the temporary occupancy of a room for his personal use by paying
12 to the operator of the facility a fee in consideration for it.

13 Section 3. Tax authorized.

14 Municipalities are authorized and directed under this act to
15 impose an excise tax of 2% of the income received by each
16 operator of a hotel within the municipality from each
17 transaction of renting a room or rooms to transients. The
18 provisions of this section shall not apply to any municipality
19 which, on the effective date of this act, imposes in any fashion
20 a local hotel room occupancy tax.

21 Section 4. Collection of tax.

22 The tax shall be collected by the operator from the patron of
23 the room and paid over on an annual basis to the municipality on
24 a date fixed by the municipality. The operator shall be entitled
25 to retain 1% of the annual amount of tax collected as
26 compensation for administrative expenses. The treasurer of the
27 municipality shall deposit the tax revenues in a special fund.

28 Section 5. Distribution of tax.

29 Tax revenues collected under section 4 shall be distributed
30 as follows:

1 (1) One-fourth of the revenues shall be distributed to
2 the tourism promotion agency or convention and visitors
3 bureau representing the municipality within 30 days of
4 receipt of the revenue by the municipality. In municipalities
5 without a tourism promotion agency or convention and visitors
6 bureau, the revenue shall be used for street repairs and
7 improvements in the municipality.

8 (2) Three-fourths shall be used for such purposes as the
9 municipality shall determine.

10 Section 6. Preemption.

11 The provisions of this act shall not be preempted by the tax
12 imposed under Article II of the act of March 4, 1971 (P.L.6,
13 No.2), known as the Tax Reform Code of 1971.

14 Section 7. Effective date.

15 This act shall take effect January 1, 1997.