

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2457 Session of
2000

INTRODUCED BY CALTAGIRONE, BARRAR, BELFANTI, BENNINGHOFF, BOYES,
COLAFELLA, CURRY, DALEY, GEORGE, HARHAI, LEDERER, LEVDANSKY,
McCALL, MELIO, S. MILLER, RUBLEY, SCRIMENTI, SHANER, SOLOBAY,
STABACK, TANGRETTI, E. Z. TAYLOR, TIGUE, TRICH, WILLIAMS AND
WOJNAROSKI, APRIL 11, 2000

REFERRED TO COMMITTEE ON FINANCE, APRIL 11, 2000

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 distribution and use of
11 insurance premiums tax.

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

14 Section 1. Section 902 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, amended June 30,
16 1995 (P.L.139, No.21), is amended to read:

17 Section 902. (a) Imposition of Tax.--Every insurance
18 company, as herein defined, transacting business in the
19 Commonwealth of Pennsylvania, shall pay to the department, a tax
20 at the rate of two per cent of the gross premiums received from
21 business done within this Commonwealth during each calendar

1 year, except that any insurance company which was not subject to
2 this tax prior to 1971 shall be taxed at the rate of one per
3 cent for the year 1971 and thereafter at the rate of two per
4 cent.

5 (b) Disposition of Taxes.--The taxes paid by foreign fire
6 insurance companies under this act shall continue to be
7 distributed and used for firemen's relief pension or retirement
8 purposes, as provided by section two of the act, approved the
9 twenty-eighth day of June, one thousand eight hundred ninety-
10 five (Pamphlet Laws 408), as amended; [and] the taxes paid by
11 foreign casualty insurance companies under this act shall
12 continue to be distributed and used for police pension,
13 retirement or disability purposes as provided by the act,
14 approved the twelfth day of May, one thousand nine hundred
15 forty-three (Pamphlet Laws 259), as amended; and the taxes paid
16 by domestic fire insurance companies under this act shall be
17 deposited into the Fire Insurance Tax Fund.

18 (c) Other Taxes.--All other taxes received under this act
19 shall be credited to the General Fund for general revenue
20 purposes.

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