

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 497 Session of
1999

INTRODUCED BY THOMPSON, MARCH 9, 1999

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 6, 2000

AN ACT

1 ~~Amending the act of August 9, 1955 (P.L.323, No.130), entitled,~~ <—
2 ~~as amended, "An act relating to counties of the third,~~
3 ~~fourth, fifth, sixth, seventh and eighth classes; amending,~~
4 ~~revising, consolidating and changing the laws relating~~
5 ~~thereto; and providing for regional renaissance initiatives,"~~
6 ~~further providing for authorization of excise tax.~~
7 PROVIDING FOR A HOTEL ROOM RENTAL TAX IN CERTAIN THIRD CLASS <—
8 COUNTIES.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. The definition of "county" in section 1770.2(f)~~ <—
12 ~~of the t of August 9, 1955 (P.L.323, No.130), known as The~~
13 ~~County Code, amended June 18, 1998 (P.L.619, No.79), is amended~~
14 ~~to read:~~

15 ~~Section 1770.2. Authorization of Excise Tax. * * *~~

16 ~~(f) As used in this section, the following words and phrases~~
17 ~~shall have the meanings given to them in this subsection:~~

18 ~~* * *~~

19 ~~"County." Any county which is on the effective date of this~~

1 ~~act a county of the third class having a population under the~~
2 ~~1990 Federal Decennial Census in excess of 337,000 residents,~~
3 ~~but less than 341,000 residents, or a county of the third class~~
4 ~~having a population under the 1990 Federal Decennial Census in~~
5 ~~excess of 374,000 residents, but less than 380,000 residents, or~~
6 ~~a county of the fourth class having a population under the 1990~~
7 ~~Federal Decennial Census in excess of 159,000 residents, but~~
8 ~~less than 175,000 residents, or a county of the fifth class~~
9 ~~having a population under the 1990 Federal Decennial Census in~~
10 ~~excess of 123,000 residents, or a county of the sixth class~~
11 ~~having a population under the 1990 Federal Decennial Census in~~
12 ~~excess of 87,000 residents.~~

13 ~~* * *~~

14 ~~Section 2. This act shall take effect immediately.~~

15 SECTION 1. SHORT TITLE.

<—

16 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE HOTEL ROOM
17 RENTAL TAX ACT.

18 SECTION 2. DEFINITIONS.

19 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
20 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
21 CONTEXT CLEARLY INDICATES OTHERWISE:

22 "COUNTY." ANY COUNTY WHICH IS, ON THE EFFECTIVE DATE OF THIS
23 ACT, A COUNTY OF THE THIRD CLASS HAVING A POPULATION UNDER THE
24 1990 FEDERAL DECENNIAL CENSUS IN EXCESS OF 290,000 RESIDENTS BUT
25 LESS THAN 295,000 RESIDENTS, OR A COUNTY OF THE THIRD CLASS
26 HAVING A POPULATION UNDER THE 1990 FEDERAL DECENNIAL CENSUS IN
27 EXCESS OF 245,000 RESIDENTS BUT LESS THAN 250,000 RESIDENTS.

28 "CONSIDERATION." RECEIPTS, FEES, CHARGES, RENTALS, LEASES,
29 CASH, CREDITS, PROPERTY OF ANY KIND OR NATURE OR OTHER PAYMENT
30 RECEIVED BY OPERATORS IN EXCHANGE FOR OR IN CONSIDERATION OF THE

1 USE OR OCCUPANCY BY A TRANSIENT OF A ROOM OR ROOMS IN A HOTEL
2 FOR A TEMPORARY PERIOD.

3 ~~"HOTEL." A HOTEL, MOTEL, INN, GUEST HOUSE OR OTHER BUILDING <—~~
4 ~~WHICH HOLDS ITSELF OUT BY ANY MEANS, INCLUDING ADVERTISING,~~
5 ~~LICENSE, REGISTRATION WITH AN INNKEEPERS GROUP, CONVENTION~~
6 ~~LISTING ASSOCIATION, TRAVEL PUBLICATION OR SIMILAR ASSOCIATION~~
7 ~~OR WITH A GOVERNMENT AGENCY, AS BEING AVAILABLE TO PROVIDE~~
8 ~~OVERNIGHT LODGING OR USE OF FACILITY SPACE FOR CONSIDERATION TO~~
9 ~~PERSONS SEEKING TEMPORARY ACCOMMODATION. THE TERM INCLUDES A~~
10 ~~PLACE WHICH ADVERTISES TO THE PUBLIC AT LARGE OR A SEGMENT OF~~
11 ~~THE PUBLIC THAT IT WILL PROVIDE BEDS, SANITARY FACILITIES OR~~
12 ~~OTHER SPACE FOR A TEMPORARY PERIOD TO MEMBERS OF THE PUBLIC AT~~
13 ~~LARGE. THE TERM ALSO INCLUDES A PLACE RECOGNIZED AS A HOSTELRY,~~
14 ~~PROVIDED THAT PORTIONS OF A FACILITY WHICH ARE DEVOTED TO~~
15 ~~PERSONS WHO HAVE ESTABLISHED PERMANENT RESIDENCE SHALL NOT BE~~
16 ~~INCLUDED IN THIS TERM.~~

17 "HOTEL." A HOTEL, MOTEL, INN, GUEST HOUSE OR OTHER STRUCTURE <—
18 WHICH HOLDS ITSELF OUT BY ANY MEANS, INCLUDING ADVERTISING,
19 LICENSE, REGISTRATION WITH AN INNKEEPERS' GROUP, CONVENTION
20 LISTING ASSOCIATION, TRAVEL PUBLICATION OR SIMILAR ASSOCIATION
21 OR WITH A GOVERNMENT AGENCY, AS BEING AVAILABLE TO PROVIDE
22 OVERNIGHT LODGING FOR CONSIDERATION TO PERSONS SEEKING TEMPORARY
23 ACCOMMODATION; ANY PLACE WHICH ADVERTISES TO THE PUBLIC AT LARGE
24 OR ANY SEGMENT THEREOF THAT IT WILL PROVIDE BEDS, SANITARY
25 FACILITIES OR OTHER SPACE FOR A TEMPORARY PERIOD TO MEMBERS OF
26 THE PUBLIC AT LARGE; OR ANY PLACE RECOGNIZED AS A HOSTELRY. THE
27 TERM DOES NOT INCLUDE ANY PORTION OF A FACILITY THAT IS DEVOTED
28 TO PERSONS WHO HAVE AN ESTABLISHED PERMANENT RESIDENCE OR A
29 COLLEGE OR UNIVERSITY STUDENT RESIDENCE HALL OR ANY PRIVATE
30 CAMPGROUND, OR ANY CABINS, PUBLIC CAMPGROUNDS OR OTHER

1 FACILITIES LOCATED ON STATE LAND.

2 "JOINT PLANNING COMMISSIONS." A COMMISSION ESTABLISHED BY
3 ORDINANCE OR MEMBERSHIP OF TWO OR MORE MUNICIPALITIES TO
4 ENCOURAGE PLANNING FOR FUTURE DEVELOPMENT AND TO COORDINATE
5 PLANNING WITH NEIGHBORING MUNICIPALITIES, COUNTIES AND OTHER
6 GOVERNMENT AGENCIES, IN ACCORDANCE WITH ARTICLE XI OF THE ACT OF
7 JULY 31, 1968 (P.L.805, NO.247), KNOWN AS THE PENNSYLVANIA
8 MUNICIPALITIES PLANNING CODE.

9 "OPERATOR." ANY INDIVIDUAL, PARTNERSHIP, NONPROFIT OR
10 PROFIT-MAKING ASSOCIATION OR CORPORATION OR OTHER PERSON OR
11 GROUP OF PERSONS WHO MAINTAIN, OPERATE, MANAGE, OWN, HAVE
12 CUSTODY OF OR OTHERWISE POSSESS THE RIGHT TO RENT OR LEASE
13 OVERNIGHT ACCOMMODATIONS IN A BUILDING TO THE PUBLIC FOR
14 CONSIDERATION.

15 "PATRON." ANY PERSON WHO PAYS THE CONSIDERATION FOR THE
16 OCCUPANCY OF A ROOM OR ROOMS IN A HOTEL.

17 "PERMANENT RESIDENT." ANY PERSON WHO HAS OCCUPIED OR HAS THE
18 RIGHT TO OCCUPY A ROOM OR ROOMS IN A HOTEL AS A PATRON OR
19 OTHERWISE FOR A PERIOD EXCEEDING 30 CONSECUTIVE DAYS.

20 "ROOM." A SPACE IN A BUILDING SET ASIDE FOR USE AND
21 OCCUPANCY BY PATRONS, OR OTHERWISE, FOR CONSIDERATION, HAVING AT
22 LEAST ONE BED OR OTHER SLEEPING ACCOMMODATIONS PROVIDED.

23 "TEMPORARY RESIDENT." ANY PERSON WHO HAS OCCUPIED OR HAS THE
24 RIGHT TO OCCUPY A ROOM OR ROOMS IN A HOTEL AS A PATRON OR
25 OTHERWISE FOR A PERIOD OF TIME NOT EXCEEDING 30 CONSECUTIVE
26 DAYS.

27 "TRANSACTION." THE ACTIVITY INVOLVING THE OBTAINING BY A
28 TRANSIENT OR PATRON OF THE USE OR OCCUPANCY OF A HOTEL ROOM FROM
29 WHICH CONSIDERATION EMANATES TO THE OPERATOR UNDER AN EXPRESSED
30 OR IMPLIED CONTRACT.

1 "TRANSIENT." ANY PERSON WHO OBTAINS AN ACCOMMODATION IN ANY
2 HOTEL FOR HIMSELF BY MEANS OF REGISTERING AT THE FACILITY FOR
3 THE TEMPORARY OCCUPANCY OF A ROOM FOR THE PERSONAL USE OF THAT
4 INDIVIDUAL BY PAYING TO THE OPERATOR OF THE FACILITY A FEE IN
5 CONSIDERATION THEREFOR.

6 SECTION 3. TAX.

7 (A) IMPOSITION OF TAX.--A COUNTY MAY, BY ORDINANCE, IMPOSE A
8 TAX WHICH SHALL BE KNOWN AS THE HOTEL ROOM RENTAL TAX ON THE
9 CONSIDERATION RECEIVED BY EACH OPERATOR OF A HOTEL WITHIN THE
10 COUNTY FROM EACH TRANSACTION OF RENTING A ROOM OR ROOMS TO
11 ACCOMMODATE TEMPORARY RESIDENTS. THE TAX SHALL BE COLLECTED BY
12 THE OPERATOR FROM THE PATRON OF THE ROOM AND PAID OVER TO THE
13 COUNTY WHERE THE HOTEL IS LOCATED AS PROVIDED UNDER THIS
14 SECTION.

15 (B) RATE.--THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
16 EQUAL TO 3.5% OF THE CONSIDERATION RECEIVED FROM EACH
17 TRANSACTION OF RENTING A ROOM OR ROOMS TO ACCOMMODATE TEMPORARY
18 NOT PERMANENT RESIDENTS.

19 (C) COLLECTION AND PAYMENT.--THE TAX SHALL BE COLLECTED BY
20 THE OPERATOR FROM THE PATRON AND PAID OVER TO THE COUNTY WHERE
21 THE HOTEL IS LOCATED. THE COUNTY EXECUTIVE OF EACH COUNTY IS
22 HEREBY AUTHORIZED TO ESTABLISH RULES AND REGULATIONS GOVERNING
23 THE COLLECTION OF THE TAX WHICH COLLECTION SHALL NOT OCCUR MORE
24 OFTEN THAN MONTHLY AND NOT LESS THAN QUARTERLY.

25 (D) DISTRIBUTION.--MONEY RECEIVED UNDER SUBSECTION (C) AND
26 INTEREST ACCRUED SHALL BE DISTRIBUTED BY THE FISCAL OFFICER OF
27 EACH COUNTY AS FOLLOWS:

28 (1) EACH COUNTY SHALL WITHIN TEN DAYS OF RECEIPT
29 TRANSMIT 78.5% OF THE MONEY COLLECTED IN THAT COUNTY TO THE
30 REGIONAL TOURIST PROMOTION AGENCY, WHICH SERVES MORE THAN ONE

1 COUNTY AND WHICH IS DESIGNATED BY THE GOVERNING BODY OF THE
2 COUNTY TO BE ELIGIBLE FOR GRANTS FROM THE DEPARTMENT OF
3 COMMUNITY AND ECONOMIC DEVELOPMENT PURSUANT TO THE ACT OF
4 APRIL 28, 1961 (P.L.111, NO.50), KNOWN AS THE TOURIST
5 PROMOTION LAW.

6 (2) EACH COUNTY SHALL RETAIN 21.5% OF THE MONEY
7 COLLECTED IN THAT COUNTY FOR THE FURTHER DEVELOPMENT OF
8 TOURISM FACILITIES AND FOR COMMUNITY DEVELOPMENT INITIATIVES,
9 WITHIN THAT COUNTY, THAT ENHANCE REGIONAL TOURISM.

10 SECTION 4. EFFECTIVE DATE.

11 THIS ACT SHALL TAKE EFFECT IMMEDIATELY.