

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1647 Session of
2007

INTRODUCED BY PHILLIPS, SURRA, TURZAI, BAKER, BELFANTI,
BENNINGHOFF, BOYD, CALTAGIRONE, CLYMER, CURRY, CUTLER,
DENLINGER, EVERETT, FABRIZIO, FAIRCHILD, GABIG, GEIST,
GEORGE, GIBBONS, GINGRICH, HENNESSEY, HERSHEY, HESS,
HUTCHINSON, JAMES, W. KELLER, KOTIK, LONGIETTI, MARSHALL,
McGEEHAN, McILHATTAN, MOYER, MYERS, NAILOR, PALLONE, PAYNE,
PETRI, PETRONE, QUINN, READSHAW, STABACK, R. STEVENSON,
SWANGER, THOMAS, VULAKOVICH AND WATSON, JUNE 27, 2007

REFERRED TO COMMITTEE ON FINANCE, JUNE 27, 2007

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 exclusions from sales tax.

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

13 Section 1. Section 204(10) of the act of March 4, 1971
14 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended
15 April 23, 1998 (P.L.239, No.45), is amended to read:

16 Section 204. Exclusions from Tax.--The tax imposed by
17 section 202 shall not be imposed upon any of the following:

18 * * *

19 (10) The sale at retail to or use by (i) any charitable

1 organization, volunteer firemen's organization or nonprofit
2 educational institution, or (ii) a religious organization for
3 religious purposes of tangible personal property or services
4 other than pursuant to a construction contract: Provided,
5 however, That the exclusion of this clause shall not apply with
6 respect to any tangible personal property or services used in
7 any unrelated trade or business carried on by such organization
8 or institution or with respect to any materials, supplies and
9 equipment used and transferred to such organization or
10 institution in the construction, reconstruction, remodeling,
11 renovation, repairs and maintenance of any real estate
12 structure, other than building machinery and equipment, except
13 materials and supplies when purchased by such organizations or
14 institutions for routine maintenance and repairs[.], unless the
15 organization or institution is a charitable organization in the
16 trade or business of construction, reconstruction, remodeling or
17 renovation of any real estate structure.

18 * * *

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