
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 445 Session of
2013

INTRODUCED BY PYLE, TALLMAN, STERN, CUTLER, AUMENT, SAYLOR,
MARSHALL, PICKETT, M. K. KELLER, KORTZ, OBERLANDER, GABLER,
CLYMER AND MURT, JANUARY 30, 2013

REFERRED TO COMMITTEE ON FINANCE, JANUARY 30, 2013

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," in capital stock and franchise tax, further
11 defining "processing."

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

14 Section 1. The definition of "processing" in section 601(a)
15 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax
16 Reform Code of 1971, amended June 22, 2001 (P.L.353, No.23), is
17 amended to read:

18 Section 601. Definitions and Reports.--(a) The following
19 words, terms and phrases when used in this Article VI shall have
20 the meaning ascribed to them in this section, except where the
21 context clearly indicates a different meaning:

22 * * *

1 "Processing." The following activities when engaged in as a
2 business enterprise:

3 (1) The filtering or heating of honey, the cooking or
4 freezing of fruits, vegetables, mushrooms, fish, seafood, meats
5 or poultry, when the person engaged in such business packages
6 such property in sealed containers for wholesale distribution.

7 (1.1) The processing of fruits or vegetables by cleaning,
8 cutting, coring, peeling or chopping and treating to preserve,
9 sterilize or purify and substantially extend the useful shelf
10 life of the fruits or vegetables, when the person engaged in
11 such activity packages such property in sealed containers for
12 wholesale distribution.

13 (2) The scouring, carbonizing, cording, combing, throwing,
14 twisting or winding of natural or synthetic fibers, or the
15 spinning, bleaching, dyeing, printing or finishing of yarns or
16 fabrics, when such activities are performed prior to sale to the
17 ultimate consumer.

18 (3) The electroplating, galvanizing, enameling, anodizing,
19 coloring, finishing, impregnating or heat treating of metals or
20 plastics for sale or in the process of manufacturing.

21 (3.1) The blanking, shearing, leveling, slitting or burning
22 of metals for sale to or use by a manufacturer or processor.

23 (4) The rolling, drawing or extruding of ferrous and
24 nonferrous metals.

25 (5) The fabrication for sale of ornamental or structural
26 metal or metal stairs, staircases, gratings, fire escapes or
27 railings (not including fabrication work done at the
28 construction site).

29 (6) The preparation of animal feed or poultry feed for sale.

30 (7) The production, processing and bottling of nonalcoholic

1 beverages for wholesale distribution.

2 (8) The slaughtering and dressing of animals for meat to be
3 sold or to be used in preparing meat products for sale, and the
4 preparation of meat products, including lard, tallow, grease,
5 cooking and inedible oils for wholesale distribution.

6 (9) The operation of a saw mill or planing mill for the
7 production of lumber or lumber products for sale. The operation
8 of a saw mill or planing mill begins with the unloading by the
9 operator of the saw mill or planing mill of logs, timber,
10 pulpwood or other forms of wood material to be used in the saw
11 mill or planing mill.

12 (10) The milling for sale of flour or meal from grains.

13 (10.1) The aging, stripping, conditioning, crushing and
14 blending of tobacco leaves for use as cigar filler or as
15 components of smokeless tobacco products for sale to
16 manufacturers of tobacco products.

17 (11) The publishing of books, newspapers, magazines or other
18 periodicals, printing and broadcasting radio and television
19 programs by licensed commercial or educational stations.

20 (12) The processing of used lubricating oils.

21 (13) The blending, rectification or production by
22 distillation or otherwise of alcohol or alcoholic liquors,
23 except the distillation of alcohol from byproducts of winemaking
24 for the sole purpose of fortifying wine.

25 (14) The salvaging, recycling or reclaiming of used
26 materials to be recycled into a manufacturing process.

27 (15) The development or substantial modification of computer
28 programs or software for sale to unrelated persons for their
29 direct and independent use.

30 (16) The cleaning and roasting and the blending, grinding or

1 packaging for sale of coffee from green coffee beans or the
2 production of coffee extract.

3 (17) The refining, blasting, exploring, mining and quarrying
4 for or otherwise extracting coal, limestone, sand, gravel or
5 slag from the earth or from waste or stock piles or from pits or
6 banks and the cleaning, crushing, grinding, pulverizing, sizing
7 or screening of coal, limestone, sand, gravel or slag, including
8 blast furnace slag.

9 (18) The preparation of dry or liquid fertilizer for sale.

10 (19) The production, processing and packaging of ice for
11 wholesale distribution.

12 * * *

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