

TAX REFORM CODE OF 1971 - AMEND
Act of Jul. 1, 1994, P.L. 413, No. 67

Cl. 72

Session of 1994
No. 1994-67

SB 713

AN ACT

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," further providing for neighborhood assistance tax credits; providing for the Public Transportation Assistance Fund; and making a repeal.

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

Section 1. The definition of "business firm" in section 1902-A of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, added June 16, 1994 (P.L.279, No.48), is amended to read:

Section 1902-A. Definitions.--The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Business firm." Any business entity authorized to do business in this Commonwealth and subject to taxes imposed by Article IV, VI, VII, VII-A, VIII, VIII-A, IX [or], X **or XV** of this act.

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Section 2. Article XXIII of the act is repealed.

Section 3. The act is amended by adding an article to read:

ARTICLE XXIII

PUBLIC TRANSPORTATION ASSISTANCE FUND

Section 2301. Public Transportation Assistance Fund.--(a) There is hereby created a special fund in the State Treasury to be known as the Public Transportation Assistance Fund. Moneys deposited into the fund and interest which accrues from those funds shall be used for the purposes delineated in 74 Pa.C.S. § 1310 (relating to distribution of funding).

(b) Funds received under the provisions of this section, as estimated and certified by the Secretary of Revenue, shall be deposited within five days of the end of each month into the fund. Unless otherwise specifically noted, the provisions of Article II shall apply to the fees and taxes imposed by subsections (c), (d) and (e). Unless otherwise specifically noted, the provisions of Article XI-A shall apply to the tax imposed under subsection (f).

(c) There is hereby imposed a fee on each sale in this Commonwealth of new tires for highway use at the rate of one dollar (\$1) per tire. The fee shall be collected by the seller from the purchaser and remitted to the Department of Revenue.

No exclusions or exemptions, other than those for governmental entities provided under Article II, shall apply to the fees and taxes imposed by this section.

(d) (1) There is hereby imposed on each lease of a motor vehicle subject to tax under Article II an additional tax of three per cent of the total lease price charged.

(2) As used in this subsection on and after April 1, 1995, the term "motor vehicle" does not include trucks in Class 4 or higher as defined in 75 Pa.C.S. § 1916(a) (1) (relating to trucks and truck tractors).

(e) There is hereby imposed on each rental of a motor vehicle subject to tax under Article II a fee of two dollars (\$2) for each day or part of a day for which the vehicle is rented.

(f) Every entity required to pay the tax imposed under Article XI-A shall, in addition to that tax, pay an additional tax of twelve (12) mills upon each dollar of the State taxable value of its utility realty at the end of the preceding calendar year.

Section 4. (a) The provisions of 74 Pa.C.S. § 1314 are repealed.

(b) Section 42(a) of the act of June 16, 1994 (P.L.279, No.48), entitled "An act amending the act of March 4, 1971 (P.L.6, No.2), entitled 'An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties,' further defining 'manufacture' for sales tax purposes; excluding magazine subscriptions and certain office building cleaning services from sales and use tax; providing specific situs provisions for local sales tax collection; further providing for special tax provisions for poverty and for Pennsylvania S corporations; requiring all employers to withhold wage taxes levied by cities of the first class; further providing for the taxation of business trusts, for loss carryforward and for the rate of corporate net income tax; repealing corporate net income tax revenue allocations to the Industrial Development Fund; further defining 'capital stock value' for capital stock and franchise tax purposes; further providing for the bank shares tax, for the alternative bank shares tax and for the tax on title insurance companies; providing for the disclosure of certain gross receipts taxes; excluding transfers to family farm partnerships; providing for the imposition of a tax on the gross receipts of vehicle rental companies renting private passenger motor vehicles and for the collection and disposition of the tax revenues; providing a tax credit to certain business firms who contribute to neighborhood organizations and whose activities tend to upgrade impoverished areas; further providing for malt beverage limited tax credit; exempting spousal transfers from inheritance taxation; providing for the taxation of certain spousal trusts; providing for a transportation assistance fund; imposing additional powers and duties on the Department of Revenue; and making repeals," is repealed insofar as it is inconsistent with this act.

Section 5. This act shall take effect July 1, 1994.

ROBERT P. CASEY