

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 404

Session of
1979

INTRODUCED BY MESSRS. DORR, MILLER, DAVIES, REED,
A. C. FOSTER, JR., PICCOLA, MRS. HONAMAN, MESSERS. WENGER,
LEHR AND ANDERSON, FEBRUARY 20, 1979

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
MARCH 27, 1979

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," ~~adding to the sales and use tax a definition of~~ <—
11 ~~"charitable organization" and excluding FROM THE SALES AND~~ <—
12 USE TAX animals to be used outside the Commonwealth.

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

15 Section 1. Section ~~201~~ 204, act of March 4, 1971 (P.L.6, <—
16 No.2), known as the "Tax Reform Code of 1971," is amended by
17 adding a ~~definition~~ CLAUSE to read: <—

18 ~~Section 201. Definitions. The following words, terms and~~ <—
19 ~~phrases when used in this Article II shall have the meaning~~
20 ~~ascribed to them in this section, except where the context~~
21 ~~clearly indicates a different meaning:~~

22 * * *

~~(t) "Charitable organization." A group or body of persons which is created and which exists for the purpose of performing a humane service; promoting the good and welfare of the aged, poor, infirm or distressed; combating juvenile delinquency; advancing the spiritual, mental, social and physical improvement of young men and women; or teaching high school students the principles of the American free enterprise system. A group or body of persons shall not be considered a charitable organization if the persons entitled to benefit from services performed by such organization must be chosen from a class of persons insubstantial and predetermined in number, if the funds of such organization are derived from sources other than public or private contributions and if the organization is operated with pecuniary benefit to any officer, member or shareholder, except as reasonable compensation for actual services rendered to the organization or except as the receipt of inconsequential pecuniary benefit may be incidental to a course of instruction on the principles of the American free enterprise system.~~

~~Section 2. Section 204 of the act is amended by adding a clause to read:~~

~~Section 204. Exclusions from Tax.--The tax imposed by section 202 shall not be imposed upon~~

~~* * *~~

~~(38) The sale at retail or use of animals to be used FOR SIX MONTHS OR MORE outside of Pennsylvania and which are placed in interstate commerce by shipment outside of the Commonwealth of Pennsylvania within twenty days after delivery to the vendee.~~

~~Section 3 2. This act shall take effect in 60 days.~~