

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 682

Session of  
1981

INTRODUCED BY BOWSER, HAYES, D. R. WRIGHT, DIETZ, BRANDT,  
DOMBROWSKI, WILT, PUNT, LEVI, PETERSON, A. C. FOSTER, JR.,  
STUBAN, DeVERTER, COLE, BURD, GEIST, CAPPABIANCA, WENGER,  
DeWEESE, CALTAGIRONE, VROON, BITTLE, CIMINI, MERRY, SWIFT,  
BOYES, MACKOWSKI, LEHR, GRIECO, ANDERSON, WASS, JOHNSON,  
HONAMAN, NOYE, MILLER, ARMSTRONG, LIVENGOD, LETTERMAN,  
PETRARCA, STEWART, GRUITZA, ZWIKL, RITTER, STEIGHNER,  
VAN HORNE, TIGUE, BLAUM, CAWLEY, SIRIANNI, WOZNIAK, PHILLIPS,  
DORR, TELEK, J. L. WRIGHT AND SIEMINSKI, FEBRUARY 18, 1981

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 18, 1981

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 the definition of "utility  
11 realty" and the payment of taxes.

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

14 Section 1. Clause (3) of section 1101-A and subsection (a)  
15 of section 1104-A, act of March 4, 1971 (P.L.6, No.2), known as  
16 the "Tax Reform Code of 1971," added July 4, 1979 (P.L.60,  
17 No.27), are amended to read:

18 Section 1101-A. Definitions.--The following words, terms and  
19 phrases when used in this article shall have the meaning

1 ascribed to them in this section, except where the context  
2 clearly indicates a different meaning:

3 \* \* \*

4 (3) "Utility realty." All lands, together with all  
5 buildings, towers, smokestacks, dams, dikes, canals, cooling  
6 towers, storage tanks, reactor structures, pump houses,  
7 supporting foundations, enclosing structures, supporting  
8 structures, containment structures, reactor containment outer  
9 shells, reactor containment vessels, turbine buildings, recovery  
10 tanks, solid waste area enclosures, primary auxiliary buildings,  
11 containment auxiliary safeguard structures, fuel buildings,  
12 decontamination buildings, and, all other structures and  
13 enclosures whatsoever which are physically affixed to the land,  
14 no matter how such structures and enclosures are designated and  
15 without regard to the classification thereof for local real  
16 estate taxation purposes, but not including machinery and  
17 equipment, whether or not housed within such building, structure  
18 or enclosure, located within this Commonwealth and owned by a  
19 public utility either directly or by or through a subsidiary,  
20 which are used or are in the course of development or  
21 construction for use, in the furnishing, including producing,  
22 storing, distributing or transporting, of public utility service  
23 and which are not subject to local real estate taxation under  
24 any law in effect on April 23, 1968: Provided, however, That the  
25 following specified items shall be exempt from the tax hereby  
26 imposed:

27 (i) Easements or similar interests.

28 (ii) Railroad rights-of-way and superstructures thereon.

29 (iii) Pole, transmission tower, pipe, rail or other lines  
30 whether or not said lines are attached to the land or to any

1 structure or enclosure which is physically affixed to the land.

2 (iv) All lands, together with all buildings, dams, dikes,  
3 canals, pump houses, supporting structures, supporting  
4 foundations, turbine buildings and all other structures and  
5 enclosures whatsoever which are physically affixed to the land,  
6 no matter how such structures and enclosures are designated and  
7 without regard to the classification thereof for local real  
8 estate taxation purposes which are used or are in the course of  
9 development or construction for use in the furnishing, including  
10 producing, storing, distributing or transporting, of  
11 hydroelectric power and energy: Provided, however, That the  
12 exemptions under this subclause shall not apply to items and  
13 lands which on the effective date of this act were used to  
14 furnish hydroelectric power and energy; and that the exemptions  
15 under this subclause shall remain in effect for only a period of  
16 ten tax years after the first year in which the item or land is  
17 used to furnish hydroelectric power and energy.

18 \* \* \*

19 Section 1104-A. Effect of Payment; Additional Assessment.--

20 (a) Payment of, or exemption from, the tax imposed by the act  
21 of March 10, 1970 (P.L.168, No.66), known as the "Public Utility  
22 Realty Tax Act," or section 1102-A, or section 1103-A, and the  
23 distribution to local taxing authorities prescribed by section  
24 1107-A, shall be in lieu of local taxes upon utility realty, as  
25 contemplated by Article VIII, section 4, of the Constitution of  
26 Pennsylvania.

27 \* \* \*

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