

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 532

Session of
1985

INTRODUCED BY GEIST, D. R. WRIGHT, HAYES, BOWSER, FARGO,
STEWART, HERMAN, MERRY, PETRARCA, G. M. SNYDER, McVERRY,
SEMMELE, REINARD, LLOYD, DORR, RYBAK, LASHINGER, AFFLERBACH,
ROBBINS, OLASZ AND DAWIDA, FEBRUARY 27, 1985

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 27, 1985

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," excluding residential groundwater heat pumps from
11 the sales tax.

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

14 Section 1. Section 201 of act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding definitions to read:

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

21 * * *

1 (u) "Residential groundwater heat pump." A mechanical
2 system designed to utilize the natural heat of the earth by
3 extracting the heat energy in groundwater to provide residential
4 heating and by extracting the heat from the air and dissipating
5 it into the groundwater to provide residential cooling
6 including, but not limited to, such components as water-to-
7 refrigerant heat exchanger, refrigerant-to-air heat exchanger,
8 refrigerant-to-water heat exchanger and refrigerant compressor.

9 (v) "Groundwater." Water from aquifers, lakes, wells and
10 any other occurrences of water in and under the ground, whether
11 percolating or otherwise, located on the residential property
12 and water from privately distributed or municipally distributed
13 water systems.

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

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

18 * * *

19 (45) The sale at retail of residential groundwater heat
20 pumps.

21 Section 3. This act shall take effect in 60 days.