

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1486 Session of
1991

INTRODUCED BY LINTON, MICHLOVIC, EVANS, BATTISTO, MURPHY,
KOSINSKI, WOZNIAK, HUGHES, PETRONE, MAIALE, O'DONNELL,
WILLIAMS, JOSEPHS, JAMES, THOMAS, HARPER, ROBINSON,
CALTAGIRONE, GEIST, FOX AND ROEBUCK, MAY 28, 1991

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JULY 11, 1991

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 sales and use tax in~~ <—
11 ~~relation to gasoline and certain motor fuels;~~ imposing a
12 public transportation sales and use tax; AND establishing the <—
13 Public Transportation Assistance Fund.; ~~and making editorial~~ <—
14 ~~changes.~~

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

17 ~~Section 1. Section 201(k)(8) and (o)(4) of the act of March~~ <—
18 ~~4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971,~~
19 ~~amended December 9, 1980 (P.L.1136, No.202) and July 2, 1986~~
20 ~~(P.L.318, No.77), are amended to read:~~

21 ~~Section 201. Definitions. The following words, terms and~~
22 ~~phrases when used in this Article II shall have the meaning~~

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

~~* * *~~

~~(k) "Sale at retail."~~

~~* * *~~

~~(8) Any retention of possession, custody or a license to use or consume tangible personal property or any further obtaining of services described in subclauses (2), (3) and (4) of this clause pursuant to a rental or service contract or other arrangement (other than as security).~~

~~The term "sale at retail" shall not include (i) any such transfer of tangible personal property or rendition of services for the purpose of resale, or (ii) such rendition of services or the transfer of tangible personal property including, but not limited to, machinery and equipment and parts therefor and supplies to be used or consumed by the purchaser directly in any of the operations of—~~

~~(A) The manufacture of personal property;~~

~~(B) Farming, dairying, agriculture, horticulture or floriculture when engaged in as a business enterprise. The term "farming" shall include the propagation and raising of ranch raised fur bearing animals and the propagation of game birds for commercial purposes by holders of propagation permits issued under [the act of June 3, 1937 (P.L.1225), known as "The Game Law"] 34 Pa.C.S. (relating to game);~~

~~(C) The producing, delivering or rendering of a public utility service, or in constructing, reconstructing, remodeling, repairing or maintaining the facilities which are directly used in producing, delivering or rendering such service;~~

~~(D) The processing of personal property as defined in clause~~

1 ~~(d) of this section.~~

2 ~~The exclusions provided in paragraphs (A), (B), (C) and (D)~~
3 ~~shall not apply to any vehicle required to be registered under~~
4 ~~The Vehicle Code, except those vehicles used directly by a~~
5 ~~public utility engaged in business as a common carrier; to~~
6 ~~gasoline and other motor fuels, the sales of which are subject~~
7 ~~to excise taxes under the act of May 21, 1931 (P.L.149, No.105),~~
8 ~~known as "The Liquid Fuels Tax Act," or the act of January 14,~~
9 ~~1952 (P.L.1965, No.550), known as the "Fuel Use Tax Act"; to~~
10 ~~maintenance facilities; or to materials, supplies or equipment~~
11 ~~to be used or consumed in the construction, reconstruction,~~
12 ~~remodeling, repair or maintenance of real estate other than~~
13 ~~machinery, equipment, parts or foundations therefor that may be~~
14 ~~affixed to such real estate.~~

15 ~~The exclusions provided in paragraphs (A), (B), (C) and (D)~~
16 ~~shall not apply to tangible personal property or services to be~~
17 ~~used or consumed in managerial sales or other nonoperational~~
18 ~~activities, nor to the purchase or use of tangible personal~~
19 ~~property or services by any person other than the person~~
20 ~~directly using the same in the operations described in~~
21 ~~paragraphs (A), (B), (C) and (D) herein.~~

22 ~~The exclusion provided in paragraph (C) shall not apply to~~
23 ~~(i) construction materials, supplies or equipment used to~~
24 ~~construct, reconstruct, remodel, repair or maintain facilities~~
25 ~~not used directly by the purchaser in the production, delivering~~
26 ~~or rendition of public utility service, (ii) construction~~
27 ~~materials, supplies or equipment used to construct, reconstruct,~~
28 ~~remodel, repair or maintain a building, road or similar~~
29 ~~structure, or (iii) tools and equipment used but not installed~~
30 ~~in the maintenance of facilities used directly in the~~

1 ~~production, delivering or rendition of a public utility service.~~

2 ~~* * *~~

3 ~~(o) "Use."~~

4 ~~(1) The exercise of any right or power incidental to the~~
5 ~~ownership, custody or possession of tangible personal property~~
6 ~~and shall include, but not be limited to transportation, storage~~
7 ~~or consumption.~~

8 ~~(2) The obtaining by a purchaser of the service of printing~~
9 ~~or imprinting of tangible personal property when such purchaser~~
10 ~~furnishes, either directly or indirectly, the articles used in~~
11 ~~the printing or imprinting.~~

12 ~~(3) The obtaining by a purchaser of the services of (i)~~
13 ~~washing, cleaning, waxing, polishing or lubricating of motor~~
14 ~~vehicles whether or not any tangible personal property is~~
15 ~~transferred to the purchaser in conjunction with such services,~~
16 ~~and (ii) inspecting motor vehicles pursuant to the mandatory~~
17 ~~requirements of "The Vehicle Code."~~

18 ~~(4) The obtaining by a purchaser of the service of~~
19 ~~repairing, altering, mending, pressing, fitting, dyeing,~~
20 ~~laundering, drycleaning or cleaning tangible personal property~~
21 ~~other than wearing apparel or shoes or applying or installing~~
22 ~~tangible personal property as a repair or replacement part of~~
23 ~~other personal property other than wearing apparel or shoes,~~
24 ~~whether or not the services are performed directly or by any~~
25 ~~means other than by means of coin-operated self-service laundry~~
26 ~~equipment for wearing apparel or household goods, and whether or~~
27 ~~not any tangible personal property is transferred to the~~
28 ~~purchaser in conjunction therewith, except such services as are~~
29 ~~obtained in the construction, reconstruction, remodeling, repair~~
30 ~~or maintenance of real estate: Provided, however, That this~~

1 ~~subclause shall not be deemed to impose tax upon such services~~
2 ~~in the preparation for sale of new items which are excluded from~~
3 ~~the tax under clause (26) of section 204, or upon diaper~~
4 ~~service: And provided further, That the term "use" shall not~~
5 ~~include—~~

6 ~~(A) Any tangible personal property acquired and kept,~~
7 ~~retained or over which power is exercised within this~~
8 ~~Commonwealth on which the taxing of the storage, use or other~~
9 ~~consumption thereof is expressly prohibited by the Constitution~~
10 ~~of the United States or which is excluded from tax under other~~
11 ~~provisions of this article.~~

12 ~~(B) The use or consumption of tangible personal property,~~
13 ~~including but not limited to machinery and equipment and parts~~
14 ~~therefor, and supplies or the obtaining of the services~~
15 ~~described in subclauses (2), (3) and (4) of this clause directly~~
16 ~~in any of the operations of—~~

17 ~~(i) The manufacture of personal property;~~

18 ~~(ii) Farming, dairying, agriculture, horticulture or~~
19 ~~floriculture when engaged in as a business enterprise;~~

20 ~~(iii) The producing, delivering or rendering of a public~~
21 ~~utility service, or in constructing, reconstructing, remodeling,~~
22 ~~repairing or maintaining the facilities which are directly used~~
23 ~~in producing, delivering or rendering such service;~~

24 ~~(iv) The processing of personal property as defined in~~
25 ~~subclause (d) of this section.~~

26 ~~The exclusions provided in subparagraphs (i), (ii), (iii) and~~
27 ~~(iv) shall not apply to any vehicle required to be registered~~
28 ~~under The Vehicle Code except those vehicles directly used by a~~
29 ~~public utility engaged in the business as a common carrier; to~~
30 ~~gasoline and other motor fuels, the sales of which are subject~~

1 ~~to excise taxes under the act of May 21, 1931 (P.L.149, No.105),~~
2 ~~known as "The Liquid Fuels Tax Act," or the act of January 14,~~
3 ~~1952 (P.L.1965, No.550), known as the "Fuel Use Tax Act"; to~~
4 ~~maintenance facilities; or to materials, supplies or equipment~~
5 ~~to be used or consumed in the construction, reconstruction,~~
6 ~~remodeling, repair or maintenance of real estate other than~~
7 ~~machinery, equipment, parts or foundations therefor that may be~~
8 ~~affixed to such real estate. The exclusions provided in~~
9 ~~subparagraphs (i), (ii), (iii) and (iv) shall not apply to~~
10 ~~tangible personal property or services to be used or consumed in~~
11 ~~managerial sales or other nonoperational activities, nor to the~~
12 ~~purchase or use of tangible personal property or services by any~~
13 ~~person other than the person directly using the same in the~~
14 ~~operations described in subparagraphs (i), (ii), (iii) and (iv).~~

15 ~~The exclusion provided in subparagraph (iii) shall not apply~~
16 ~~to (A) construction materials, supplies or equipment used to~~
17 ~~construct, reconstruct, remodel, repair or maintain facilities~~
18 ~~not used directly by the purchaser in the production, delivering~~
19 ~~or rendition of public utility service, (B) construction~~
20 ~~materials, supplies or equipment used to construct, reconstruct,~~
21 ~~remodel, repair or maintain a building, road or similar~~
22 ~~structure, or (C) tools and equipment used but not installed in~~
23 ~~the maintenance of facilities used directly in the production,~~
24 ~~delivering or rendition of a public utility service.~~

25 ~~***~~

26 Section 2 1. Section 202 of the act OF MARCH 4, 1971 (P.L.6, <—
27 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, amended September
28 9, 1971 (P.L.437, No.105) and October 4, 1978 (P.L.987, No.201),
29 is amended to read:

30 Section 202. Imposition of Tax.--(a) [There] Except as

1 otherwise provided in this subsection, there is hereby imposed
2 upon each separate sale at retail of tangible personal property
3 or services, as defined herein, within this Commonwealth a tax
4 of six per cent of the purchase price, which tax shall be
5 collected by the vendor from the purchaser, and shall be paid
6 over to the Commonwealth as herein provided. In lieu of the tax
7 imposed pursuant to the first sentence of this subsection, there
8 is hereby imposed upon each separate sale at retail of motor
9 vehicles, trailers, semi-trailers, mobilehomes and aircraft
10 required under either Federal or State laws to be registered or
11 licensed within this Commonwealth, a tax of two per cent which
12 tax shall be collected by the vendor from the purchaser and paid
13 over to the Commonwealth as herein provided.

14 (b) [There] Except as otherwise provided in this subsection,
15 there is hereby imposed upon the use, on and after the effective
16 date of this article, within this Commonwealth of tangible
17 personal property purchased at retail on or after the effective
18 date of this article, and on those services described herein
19 purchased at retail on and after the effective date of this
20 article, a tax of six per cent of the purchase price, which tax
21 shall be paid to the Commonwealth by the person who makes such
22 use as herein provided[, except that such tax]. In lieu of the
23 tax imposed pursuant to the first sentence of this subsection,
24 there is hereby imposed upon the use, on and after the effective
25 date of this article, within this Commonwealth, of motor
26 vehicles, trailers, semi-trailers, mobilehomes and aircraft
27 required under either Federal or State laws to be registered or
28 licensed, purchased at retail, a tax of two per cent of the
29 purchase price which shall be paid to the Commonwealth by the
30 person who makes such use as herein provided. However, the taxes

1 imposed by this subsection shall not be paid to the Commonwealth
2 by such person where he has paid the tax imposed by subsection
3 (a) of this section or has paid the tax imposed by this
4 subsection (b) to the vendor with respect to such use. The tax
5 at the rate of six per cent imposed by this subsection shall not
6 be deemed applicable where the tax has been incurred under the
7 provisions of the "Tax Act of 1963 for Education."

8 (c) Notwithstanding any other provisions of this article,
9 the tax with respect to non-residential intrastate telephone
10 service and intrastate telegraph service within the meaning of
11 clause (m) of section 201 of this article shall, except for
12 telegrams paid for in cash at telegraph offices, be computed at
13 the rate of six per cent upon the total amount billed to
14 customers periodically for such services, irrespective of
15 whether such billing is based upon a flat rate or upon a message
16 unit charge.

17 (d) Notwithstanding any other provisions of this article,
18 the sale or use of food and beverages dispensed by means of coin
19 operated vending machines shall be taxed at the rate of six per
20 cent of the receipts collected from any such machine which
21 dispenses food and beverages heretofore taxable.

22 ~~Section 3. The act is amended by adding a section to read:~~ <—

23 ~~Section 202.1. Allocation of Proceeds. The proceeds~~
24 ~~resulting from the application of the tax imposed by this~~
25 ~~article to the sale at retail or use of gasoline and other motor~~
26 ~~fuels, the sales of which are otherwise subject to taxes under~~
27 ~~the act of May 21, 1931 (P.L.149, No.105), known as "The Liquid~~
28 ~~Fuels Tax Act," and the act of January 14, 1952 (1951 P.L.1965,~~
29 ~~No.550), known as the "Fuel Use Tax Act," shall be deposited in~~
30 ~~the Motor License Fund as required by Article VIII, section 11~~

1 ~~of the Constitution of Pennsylvania.~~

2 ~~Section 4. Section 203 and 204(10) and (11) of the act are~~
3 ~~amended to read:~~

4 SECTION 2. SECTION 203 OF THE ACT IS AMENDED TO READ:

<—

5 Section 203. Computation of Tax.--(a) The amount of tax
6 imposed at the rate of six per cent by section 202 of this
7 article shall be computed as follows:

8 [(a)](1) If the purchase price is ten cents (10¢) or less,
9 no tax shall be collected.

10 [(b)](2) If the purchase price is eleven cents (11¢) or more
11 but less than eighteen cents (18¢), one cent (1¢) shall be
12 collected.

13 [(c)](3) If the purchase price is eighteen cents (18¢) or
14 more but less than thirty-five cents (35¢), two cents (2¢) shall
15 be collected.

16 [(d)](4) If the purchase price is thirty-five cents (35¢) or
17 more but less than fifty-one cents (51¢), three cents (3¢) shall
18 be collected.

19 [(e)](5) If the purchase price is fifty-one cents (51¢) or
20 more but less than sixty-eight cents (68¢), four cents (4¢)
21 shall be collected.

22 [(f)](6) If the purchase price is sixty-eight cents (68¢) or
23 more but less than eighty-five cents (85¢), five cents (5¢)
24 shall be collected.

25 [(g)](7) If the purchase price is eighty-five cents (85¢) or
26 more but less than one dollar and one cent (\$1.01), six cents
27 (6¢) shall be collected.

28 [(h)](8) If the purchase price is more than one dollar
29 (\$1.00), six per centum of each dollar of purchase price plus
30 the above bracket charges upon any fractional part of a dollar

1 in excess of even dollars shall be collected.

2 (b) The amount of tax imposed at the rate of two per cent by
3 section 202 of this article shall be computed at the rate of two
4 per cent of each dollar of purchase price plus the following
5 bracket charges upon any fractional part of a dollar in excess
6 of even dollars:

7 (1) If the amount in excess of even dollars is more than
8 twenty-five cents (25¢) but less than fifty-one cents (51¢), one
9 cent (1¢) shall be collected.

10 (2) If the amount in excess of even dollars is fifty-one
11 cents (51¢) or more but less than one dollar (\$1), two cents
12 (2¢) shall be collected.

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

15 ~~* * *~~

16 ~~(10) The sale at retail to or use by (i) any charitable~~
17 ~~organization, volunteer firemen's organization or nonprofit~~
18 ~~educational institution, or (ii) a religious organization for~~
19 ~~religious purposes of tangible personal property or services:~~
20 ~~Provided, however, That the exclusion of this clause shall not~~
21 ~~apply with respect to any tangible personal property or services~~
22 ~~used in any unrelated trade or business carried on by such~~
23 ~~organization or institution or with respect to any materials,~~
24 ~~supplies and equipment used in the construction, reconstruction,~~
25 ~~remodeling, repairs and maintenance of any real estate, except~~
26 ~~materials and supplies when purchased by such organizations or~~
27 ~~institutions for routine maintenance and repairs[.], or with~~
28 ~~respect to gasoline and other motor fuels, the sales of which~~
29 ~~are taxable to such organizations under the act of May 21, 1931~~
30 ~~(P.L.149, No.105), known as "The Liquid Fuels Tax Act," or the~~

1 ~~act of January 14, 1952 (P.L.1965, No.550), known as the "Fuel~~
2 ~~Use Tax Act."~~

3 ~~{(11) The sale at retail, or use of gasoline and other motor~~
4 ~~fuels, the sales of which are otherwise subject to excise taxes~~
5 ~~under the act of May 21, 1931 (P.L.194), known as the "Liquid~~
6 ~~Fuels Tax Act," and the act of January 14, 1952 (P.L.1965),~~
7 ~~known as the "Fuel Use Tax Act."}~~

8 * * *

9 Section 5 3. The act is amended by adding an article to
10 read:

11 ARTICLE II-A

12 PUBLIC TRANSPORTATION SALES AND USE TAX

13 Section 201-A. Definitions.--The following words, terms and
14 phrases when used in this Article II-A shall have the meaning
15 ascribed to them in this section, except where the context
16 clearly indicates a different meaning:

17 "Department." The Department of Revenue of the Commonwealth.

18 "Fund." The Public Transportation Assistance Fund.

19 Section 202-A. Public Transportation Sales and Use Tax.--(a)
20 There is hereby imposed upon each separate sale at retail within
21 this Commonwealth of motor vehicles, trailers, semi-trailers,
22 mobilehomes and aircraft required under either Federal or State
23 laws to be registered or licensed a tax of four per cent on the
24 purchase price, which tax shall be paid over to the Commonwealth
25 as herein provided.

26 (b) There is hereby imposed upon the use, on and after the
27 effective date of this article, within this Commonwealth of
28 motor vehicles, trailers, semi-trailers, mobilehomes and
29 aircraft required under either Federal or State laws to be
30 registered or licensed and purchased at retail on or after the

effective date of this article, a tax of four per cent of the purchase price, which tax shall be paid to the Commonwealth by the person who makes such use as herein provided, except that such tax shall not be paid to the Commonwealth by such person where such person has paid the tax imposed by subsection (a) of this section or has paid the tax imposed by this subsection to the vendor with respect to such use.

Section 203-A. Computation of Tax.--The amount of tax imposed by section 202-A of this article shall be computed at the rate of four per cent of each dollar of purchase price plus the following bracket charges upon any fractional part of a dollar in excess of even dollars:

(1) If the amount in excess of even dollars is more than twelve cents (12¢) but less than twenty-six cents (26¢), one cent (1¢) shall be collected.

(2) If the amount in excess of even dollars is twenty-six cents (26¢) or more but less than fifty-one cents (51¢), two cents (2¢) shall be collected.

(3) If the amount in excess of even dollars is fifty-one cents (51¢) or more but less than seventy-six cents (76¢), three cents (3¢) shall be collected.

(4) If the amount in excess of even dollars is seventy-six (76¢) or more but less than one dollar, four cents (4¢) shall be collected.

Section 204-A. Application of State Law.--(a) Except as otherwise provided in this Article II-A, the provisions of Article II of this act shall apply to the taxes imposed by section 202-A.

(b) The license issued pursuant to Article II of this act or a separate license may be issued by the department for the

1 collection and reporting of the taxes imposed by section 202-A.
2 The license or licenses shall be nonassignable and subject to
3 renewal periodically at such times as may be required by the
4 department in regulations but in no event more frequently than
5 once within a five-year period. No fee shall be charged for
6 either a license or any renewal. Failure of any person to obtain
7 a license shall not relieve him of liability to pay the taxes
8 imposed by this article.

9 (c) (1) The rules and regulations promulgated under section
10 270 of this act shall be applicable to the taxes imposed by
11 section 202-A insofar as such rules and regulations are
12 consistent with section 202-A.

13 (2) The department shall administer and enforce the
14 provisions of this article and is authorized to promulgate and
15 enforce rules and regulations not inconsistent with the
16 provisions of this article, relating to any matter or thing
17 pertaining to the administration and enforcement of the
18 provisions of this article. The department may prescribe the
19 extent to which any of such rules and regulations shall be
20 applied without retroactive effect.

21 (d) Article II, Part VI of this act is incorporated by
22 reference into this article insofar as applicable.

23 Section 205-A. Dedication and Distribution.--(a) In
24 addition, to any other funds of the Commonwealth established and
25 maintained by the State Treasurer in accordance with the law or
26 with respect to which the State Treasurer is custodian, there is
27 hereby created a Public Transportation Assistance Fund. The
28 State Treasurer shall be the custodian of the fund, which shall
29 be subject to the provisions of law applicable to those funds
30 listed in section 302 of the act of April 9, 1929 (P.L.343,

1 No.176), known as "The Fiscal Code."

2 (b) The following sums shall be received by the department
3 and paid to the State Treasurer on a daily basis and shall be
4 credited to the fund not less frequently than monthly (i) all
5 of the moneys collected and remitted to the department,
6 including interest and penalties (less any refunds and credits
7 granted), as a result of the tax imposed pursuant to section
8 202-A of this article; (ii) all other moneys received by the
9 State Treasurer arising from taxes, fees or other charges levied
10 or imposed by any law of this Commonwealth that now or hereafter
11 provides for payment into the fund; and (iii) any other moneys
12 received by the State Treasurer from any source, including, but
13 not limited to, the United States or any agency or
14 instrumentality thereof, designated by such source to be
15 credited to the fund.

16 (c) During any period prior to the credit of moneys to the
17 fund, interest earned on moneys received by the department and
18 paid to the State Treasurer pursuant to this section shall be
19 deposited into the fund.

20 (d) Pending their application to the purpose authorized,
21 moneys received on behalf of or deposited into the fund shall be
22 invested or reinvested as are other funds in the custody of the
23 State Treasurer in the manner provided by law. All earnings
24 received from the investment or deposit of such funds shall be
25 credited to the Public Transportation Assistance Fund.

26 (e) On or before the twentieth day of every month, the State
27 Treasurer shall disburse the total amount of moneys which are,
28 as of the tenth day of such month, contained in the fund, in the
29 manner provided in the section of the act of January 22, 1968
30 (P.L.42, No.8), which specifies the formula for the distribution

1 of these moneys for capital projects, asset maintenance costs,
2 and certain other programs. Such moneys shall be used
3 exclusively for the purposes provided in that section of the act
4 of January 22, 1968 (P.L.42, No.8) which specifies the uses of
5 moneys provided for capital projects, asset maintenance costs,
6 and certain other programs. Notwithstanding the provisions of
7 any other law, moneys paid into the fund may be encumbered and
8 distributed at any time and from time to time as provided in
9 this section. All moneys in the fund, including, but not limited
10 to, moneys paid into the fund pursuant to this section, prior
11 year encumbrances and the interest earned thereon, shall not
12 lapse or be transferred to any other fund, but shall remain in
13 the Public Transportation Assistance Fund and must be
14 distributed as provided in this section and utilized exclusively
15 for the purposes set forth in this section.

16 (f) When the bonds or other obligations of a local
17 transportation company or transportation organization, as such
18 terms are defined in the act of January 22, 1968 (P.L.42, No.8),
19 are secured by and payable from moneys paid or to be paid to the
20 local transportation company or transportation organization from
21 the fund, the State Treasurer shall disburse from the amount
22 required to be paid from the fund to that local transportation
23 company or transportation organization that amount specified in
24 writing by such local transportation company or transportation
25 organization to be paid directly to a bond payment account or
26 any trustee, lender or other person as the local transportation
27 company or transportation organization shall direct.

28 Section 6 4. Until such time as the act of January 22, 1968 <—
29 (P.L.42, No.8) contains a section which specifies the formula
30 for the distribution of moneys made available for capital

1 projects, asset maintenance costs and certain other programs,
2 moneys contained in the Public Transportation Assistance Fund
3 shall be distributed in accordance with section 204(c) of the
4 act of January 22, 1968 (P.L.42, No.8) and used by the
5 recipients of such moneys solely for capital projects and asset
6 maintenance costs.

7 Section 7 5. This act shall take effect on the first day of <—
8 the first month following the date of final enactment.