

THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2290 Session of  
1992

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INTRODUCED BY LaGROTTA, TRELLO, DeLUCA, GAMBLE, STABACK, OLASZ,  
KRUSZEWSKI, ANGSTADT, BUSH, KOSINSKI, VAN HORNE, TRICH,  
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FAJT, FAIRCHILD, McHALE, HERMAN, TULLI, MUNDY, MICOZZIE,  
JOSEPHS, PESCI, LAUGHLIN, DERMODY, STISH, STETLER, HALUSKA,  
TANGRETTI, STUBAN, KAISER, SCRIMENTI AND JAMES,  
JANUARY 7, 1992

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REFERRED TO COMMITTEE ON FINANCE, JANUARY 7, 1992

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AN ACT

1 Establishing the State and Local Tax Study Commission;  
2 conferring powers and duties; and making an appropriation.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the State and  
7 Local Tax Study Commission Act.

8 Section 2. Purpose.

9 The General Assembly hereby finds and declares that the  
10 economic and social well-being of the people of the Commonwealth  
11 is clearly related to the tax policies of the State government  
12 and its local governments and the manner in which such policies  
13 are administered. The General Assembly further finds that no  
14 comprehensive review of the provisions of the various tax law  
15 has been undertaken recently and that many significant changes

1 have been made in the tax laws, frequently in an uncoordinated  
2 manner, with results that are, in many instances, contrary to  
3 the principles of simplicity, ease of administration, fairness  
4 and equity. Moreover, actions which have been taken by the  
5 Federal Government, significant court decisions and changes in  
6 the nature of the American economy have had an impact on the  
7 operation and impact of the Commonwealth's tax system.

8 Section 3. Commission objectives.

9 A commission that would include representatives appointed by  
10 the Governor and the General Assembly on the modernization and  
11 simplification of tax administration and the tax laws are hereby  
12 established to:

13 (1) review the laws that govern State and local taxes  
14 and the way in which they are administered to determine the  
15 effectiveness of such laws and administration in achieving  
16 State policy goals, while achieving the traditional  
17 objectives of simplicity, fairness, ease of administration  
18 and equity; and

19 (2) make recommendations to the Governor and the General  
20 Assembly for such actions as it determines necessary to the  
21 achievement of those goals and objectives.

22 Section 4. Membership.

23 (a) Appointments.--The commission shall consist of eight  
24 members to be appointed as follows: four members shall be  
25 appointed by the Governor; and four members shall be appointed,  
26 respectively, by the President pro tempore of the Senate, the  
27 Minority Leader of the Senate, the Speaker of the House of  
28 Representatives and the Minority Leader of the House of  
29 Representatives. In making appointments to the commission, the  
30 Governor shall attempt to achieve geographical balance

1 throughout the State by appointing members from both rural and  
2 urban counties. From among the members so appointed, a chairman  
3 and a vice chairman shall be selected by all of the members. Any  
4 vacancy that occurs in the commission or in the chairmanship or  
5 vice chairmanship shall be filled in the same manner in which  
6 the original appointment or selection was made. No member,  
7 officer or employee of the commission shall be disqualified from  
8 holding any other public office or employment, nor shall he  
9 forfeit any such office or employment by reason of his  
10 appointment under this act, notwithstanding the provisions of  
11 any general, special or local law, ordinance or city charter.

12 (b) Expenses.--The members of the commission shall receive  
13 no compensation for their services but shall be allowed their  
14 actual and necessary expenses incurred in the performance of  
15 their duties under this act.

16 Section 5. Staffing.

17 The commission may employ and, at its pleasure, remove such  
18 personnel as it may deem necessary for the performance of the  
19 commission's functions and fix their compensation within the  
20 amount appropriated therefor. The commission may meet within and  
21 without the State, hold public hearings and otherwise have all  
22 of the powers of an agency of the Commonwealth.

23 Section 6. Powers and duties.

24 The commission may perform any acts necessary to carry out  
25 the purpose and objectives of this act.

26 Section 7. Reports.

27 The commission shall issue a preliminary report to the  
28 General Assembly and to the Governor on the subject of reforming  
29 the local property tax within 180 days of enactment. On at least  
30 an annual basis, the commission shall report to the Governor and

1 to the General Assembly its findings and recommendations about  
2 reforming State and local tax programs.

3 Section 8. Appropriation.

4 The sum of \$750,000 is hereby appropriated to the State and  
5 Local Tax Study Commission.

6 Section 9. Sunset.

7 The State and Local Tax Study Commission shall continue until  
8 December 31, 1997, when it shall expire unless reestablished or  
9 continued by the General Assembly. Evaluation and review,  
10 termination, reestablishment and continuation of the agency  
11 beyond December 31, 1997, and every tenth year thereafter, shall  
12 be conducted pursuant to the act of December 22, 1981 (P.L.508,  
13 No.142), known as the Sunset Act.

14 Section 10. Effective date.

15 This act shall take effect immediately.