

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2814 Session of  
2002

INTRODUCED BY HANNA, BENNINGHOFF, CAPPELLI, GRUCELA, HARHAI,  
HERMAN, HESS, TIGUE AND YOUNGBLOOD, AUGUST 6, 2002

REFERRED TO COMMITTEE ON FINANCE, AUGUST 6, 2002

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,  
2 as amended, "An act relating to the finances of the State  
3 government; providing for the settlement, assessment,  
4 collection, and lien of taxes, bonus, and all other accounts  
5 due the Commonwealth, the collection and recovery of fees and  
6 other money or property due or belonging to the Commonwealth,  
7 or any agency thereof, including escheated property and the  
8 proceeds of its sale, the custody and disbursement or other  
9 disposition of funds and securities belonging to or in the  
10 possession of the Commonwealth, and the settlement of claims  
11 against the Commonwealth, the resettlement of accounts and  
12 appeals to the courts, refunds of moneys erroneously paid to  
13 the Commonwealth, auditing the accounts of the Commonwealth  
14 and all agencies thereof, of all public officers collecting  
15 moneys payable to the Commonwealth, or any agency thereof,  
16 and all receipts of appropriations from the Commonwealth,  
17 authorizing the Commonwealth to issue tax anticipation notes  
18 to defray current expenses, implementing the provisions of  
19 section 7(a) of Article VIII of the Constitution of  
20 Pennsylvania authorizing and restricting the incurring of  
21 certain debt and imposing penalties; affecting every  
22 department, board, commission, and officer of the State  
23 government, every political subdivision of the State, and  
24 certain officers of such subdivisions, every person,  
25 association, and corporation required to pay, assess, or  
26 collect taxes, or to make returns or reports under the laws  
27 imposing taxes for State purposes, or to pay license fees or  
28 other moneys to the Commonwealth, or any agency thereof,  
29 every State depository and every debtor or creditor of the  
30 Commonwealth," defining "cost of the retailer" for purposes  
31 of cigarette sales and licensing.

32 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. The definition of "cost of the retailer" in  
3 section 202-A of the act of April 9, 1929 (P.L.343, No.176),  
4 known as The Fiscal Code, added July 2, 1993 (P.L.250, No.46),  
5 is amended to read:

6 Section 202-A. Definitions.--As used in this article--

7 \* \* \*

8 "Cost of the Retailer" shall mean the basic cost of  
9 cigarettes to the retailer plus the cost of doing business by  
10 the retailer in excess of the basic cost of cigarettes,  
11 expressed as a percentage and applied to the basic cost of  
12 cigarettes. In the absence of filing of satisfactory proof of a  
13 lesser or higher cost of doing business by the retailer making  
14 the sale, the cost of doing business by the retailer shall be  
15 presumed to be [six] ten per centum of the basic cost of  
16 cigarettes to the retailer. When a retailer establishes a lesser  
17 cost of doing business than the presumptive [six] ten per centum  
18 cost of doing business, such lesser cost of doing business may  
19 be used to compute the cost of the retailer for a period of time  
20 no greater than twelve months, at the end of which time the cost  
21 to the retailer shall be computed using the presumptive [six]  
22 ten per centum cost of doing business, unless the retailer again  
23 establishes a lesser cost of doing business. Any fractional part  
24 of a cent in such cost per carton shall be rounded off to the  
25 next higher cent. In the case of any person who purchases  
26 cigarettes for sale at retail from any manufacturer of  
27 cigarettes without resort to a wholesaler as such, such person  
28 shall be deemed, for the purposes of this article, to be engaged  
29 in the sale of cigarettes as a stamping agent, wholesaler and  
30 retailer and as such shall be subject to all mark-up provisions

1 of this article in the order named.

2 \* \* \*

3 Section 2. This act shall take effect immediately.