

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1082 Session of  
2005

INTRODUCED BY SURRA, CAUSER, HANNA, GEORGE, BEBKO-JONES,  
BELFANTI, BIANCUCCI, BOYD, BROWNE, BUNT, BUXTON, CALTAGIRONE,  
CAPPELLI, CREIGHTON, DALLY, DeWEESE, EACHUS, FABRIZIO,  
FLEAGLE, FREEMAN, GERBER, GOOD, GOODMAN, GRUCELA, JAMES,  
JOSEPHS, LEVDANSKY, MARKOSEK, McCALL, McILHATTAN, MUNDY,  
PETRARCA, PETRONE, PICKETT, READSHAW, RUBLEY, SAINATO,  
SHANER, B. SMITH, STABACK, TANGRETTI, THOMAS, TIGUE,  
WASHINGTON, WHEATLEY, YOUNGBLOOD AND YUDICHAK, MARCH 23, 2005

REFERRED TO COMMITTEE ON FINANCE, MARCH 23, 2005

AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),  
2 entitled "An act empowering cities of the second class,  
3 cities of the second class A, cities of the third class,  
4 boroughs, towns, townships of the first class, townships of  
5 the second class, school districts of the second class,  
6 school districts of the third class and school districts of  
7 the fourth class including independent school districts, to  
8 levy, assess, collect or to provide for the levying,  
9 assessment and collection of certain taxes subject to maximum  
10 limitations for general revenue purposes; authorizing the  
11 establishment of bureaus and the appointment and compensation  
12 of officers, agencies and employes to assess and collect such  
13 taxes; providing for joint collection of certain taxes,  
14 prescribing certain definitions and other provisions for  
15 taxes levied and assessed upon earned income, providing for  
16 annual audits and for collection of delinquent taxes, and  
17 permitting and requiring penalties to be imposed and  
18 enforced, including penalties for disclosure of confidential  
19 information, providing an appeal from the ordinance or  
20 resolution levying such taxes to the court of quarter  
21 sessions and to the Supreme Court and Superior Court,"  
22 further providing for delegation of taxing power.

23 The General Assembly of the Commonwealth of Pennsylvania  
24 hereby enacts as follows:

25 Section 1. Section 2(9) of the act of December 31, 1965

1 (P.L.1257, No.511), known as The Local Tax Enabling Act, amended  
2 December 1, 2004 (P.L.1729, No.222), is amended to read:

3 Section 2. Delegation of Taxing Powers and Restrictions

4 Thereon.--The duly constituted authorities of the following  
5 political subdivisions, cities of the second class, cities of  
6 the second class A, cities of the third class, boroughs, towns,  
7 townships of the first class, townships of the second class,  
8 school districts of the second class, school districts of the  
9 third class, and school districts of the fourth class, in all  
10 cases including independent school districts, may, in their  
11 discretion, by ordinance or resolution, for general revenue  
12 purposes, levy, assess and collect or provide for the levying,  
13 assessment and collection of such taxes as they shall determine  
14 on persons, transactions, occupations, privileges, subjects and  
15 personal property within the limits of such political  
16 subdivisions, and upon the transfer of real property, or of any  
17 interest in real property, situate within the political  
18 subdivision levying and assessing the tax, regardless of where  
19 the instruments making the transfers are made, executed or  
20 delivered or where the actual settlements on such transfer take  
21 place. The taxing authority may provide that the transferee  
22 shall remain liable for any unpaid realty transfer taxes imposed  
23 by virtue of this act. Each local taxing authority may, by  
24 ordinance or resolution, exempt any person whose total income  
25 from all sources is less than twelve thousand dollars (\$12,000)  
26 per annum from the per capita or similar head tax, occupation  
27 tax and emergency and municipal services tax, or earned income  
28 tax, or any portion thereof, and may adopt regulations for the  
29 processing of claims for exemptions. Such local authorities  
30 shall not have authority by virtue of this act:

1       \* \* \*

2       (9) To levy, assess or collect any tax [on individuals] for  
3 the privilege of engaging in an occupation (emergency and  
4 municipal services tax) on an individual who earns at least  
5 three thousand dollars (\$3,000) gross income in a taxable year,  
6 except that such a tax may be levied, assessed and collected  
7 only by the political subdivision of the taxpayer's place of  
8 employment.

9       Payment of any emergency and municipal services tax to any  
10 political subdivision by any person pursuant to an ordinance or  
11 resolution passed or adopted under the authority of this act  
12 shall be no less than ten dollars (\$10) nor more than fifty-two  
13 dollars (\$52) on each person for each calendar year.

14       The situs of such tax shall be the place of employment, but,  
15 in the event a person is engaged in more than one occupation, or  
16 an occupation which requires his working in more than one  
17 political subdivision during the calendar year, the priority of  
18 claim to collect such emergency and municipal services tax shall  
19 be in the following order: first, the political subdivision in  
20 which a person maintains his principal office or is principally  
21 employed; second, the political subdivision in which the person  
22 resides and works, if such a tax is levied by that political  
23 subdivision; third, the political subdivision in which a person  
24 is employed and which imposes the tax nearest in miles to the  
25 person's home. The place of employment shall be determined as of  
26 the day the taxpayer first becomes subject to the tax during the  
27 calendar year.

28       It is the intent of this provision that no person shall pay  
29 more than fifty-two dollars (\$52) in any calendar year as an  
30 emergency and municipal services tax irrespective of the number

1 of political subdivisions within which such person may be  
2 employed within any given calendar year.

3 In case of dispute, a tax receipt of the taxing authority for  
4 that calendar year declaring that the taxpayer has made prior  
5 payment which constitutes prima facie certification of payment  
6 to all other political subdivisions.

7 \* \* \*

8 Section 2. The amendment of section 2(9) of the act shall  
9 apply to taxable years beginning after December 31, 2005.

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