
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 464 Session of
2017

INTRODUCED BY DeLUCA, READSHAW, ENGLISH, NEILSON AND D. COSTA,
FEBRUARY 13, 2017

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 13, 2017

AN ACT

1 Providing for a sales and use tax on political advertisements;
2 and making an inconsistent repeal.

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 Political
7 Advertising Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

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

13 "Media company." An entity which broadcasts, publishes or
14 otherwise communicates a political advertisement for a fee.

15 "Political advertisement." A communication by means of any
16 broadcast, cable or satellite communication, newspaper,
17 magazine, outdoor advertising facility, mass mailing or
18 telephone bank to the general public which advocates a candidate

1 for public office or a political party or any other form of
2 advertisement whose primary function is to disseminate a
3 political message.

4 "Sale at retail." A transfer for consideration of the
5 ownership, custody or possession of a political advertisement,
6 including the grant of a license to use or consume the
7 advertisement, whether the transfer is absolute or conditional
8 and regardless of how the transfer is made.

9 "Use." The exercise of any right or power incidental to the
10 ownership, custody or possession of a political advertisement,
11 including transportation, storage or consumption. The term shall
12 include the printing of a political advertisement when a media
13 company furnishes, either directly or indirectly, the articles
14 used in printing.

15 Section 3. Imposition of tax.

16 (a) Sales tax.--There is imposed upon each separate sale at
17 retail of a political advertisement in this Commonwealth a tax
18 of 6% of the purchase price, which shall be collected by a media
19 company from any purchaser and shall be paid over to the
20 Commonwealth as provided in this act.

21 (b) Use tax.--There is imposed on the use within this
22 Commonwealth of a political advertisement purchased at retail a
23 tax of 6% of the purchase price, which shall be paid to the
24 Commonwealth by the person who makes the use, except that the
25 tax shall not be paid to the Commonwealth by that person where
26 the tax imposed under subsection (a) is or has been paid or the
27 tax imposed under this subsection is paid by the media company
28 with regard to the use.

29 Section 4. Credit for sales and use taxes paid.

30 A purchaser may claim a credit for taxes paid under Article

1 II of the act of March 4, 1971 (P.L.6, No.2), known as the Tax
2 Reform Code of 1971.

3 Section 5. Administration and enforcement.

4 Parts III, IV, VI and VII of Article II of the act of March
5 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are
6 incorporated by reference into this act insofar as they are
7 applicable to the tax imposed by this act.

8 Section 6. Deposit of money.

9 Money collected from the tax imposed under this act, and
10 interest earned on the money, shall be deposited into the
11 General Fund.

12 Section 7. Rules and regulations.

13 The department may promulgate rules and regulations for the
14 implementation and administration of this act.

15 Section 8. Repeal.

16 Repeals are as follows:

17 (1) The General Assembly declares that the repeal under
18 paragraph (2) is necessary to effectuate this act.

19 (2) Section 204(35) of the act of March 4, 1971 (P.L.6,
20 No.2), known as the Tax Reform Code of 1971, is repealed to
21 the extent it is inconsistent with this act.

22 Section 9. Effective date.

23 This act shall take effect in 60 days.