

AMENDMENTS TO HOUSE BILL NO. 1177

Sponsor: SENATOR ALLOWAY

Printer's No. 3870

1 Amend Bill, page 1, line 5, by inserting after "COUNTIES"
2 and providing for authorization of 5% hotel tax in certain
3 counties of the fourth class

4 Amend Bill, page 6, line 12, by striking out "A SECTION" and
5 inserting
6 sections

7 Amend Bill, page 8, line 18, by striking out "2010" and
8 inserting
9 most recent

10 Amend Bill, page 10, line 9, by striking out all of said line
11 and inserting

12 § 8723. Hotel room rental tax in certain fourth class counties.

13 (a) Authorization--The county commissioners of any county of
14 the fourth class having a population under the most recent
15 Federal decennial census in excess of 149,000 residents, but
16 less than 152,000 residents, may impose a hotel tax not to
17 exceed 5% of the consideration received by each operator of a
18 hotel within the county from each transaction of renting a room
19 or rooms to transients. The tax shall be collected by the
20 operator from the patron of the room or rooms and paid over to
21 the county as provided under this section.

22 (b) Records.--The provisions of subsection (c)
23 notwithstanding, county commissioners may by ordinance impose
24 requirements for keeping of records, the filing of tax returns
25 and the time and manner of collection and payment of tax. The
26 county commissioners may also impose by ordinance penalties and
27 interest for failure to comply with recordkeeping, filing,
28 collection and payment requirements.

29 (c) Audit.--Each operator of a hotel within a county that
30 imposes the tax authorized under this section shall submit to an
31 audit of hotel tax revenue. The audit shall be conducted by the
32 county commissioners and shall consist, at a minimum, of
33 determining the total amount of consideration received by the

1 operator from transactions of renting a room or rooms to
2 transients during the period being audited and the total amount
3 of hotel tax revenue collected. The county commissioners or
4 their duly authorized agents shall conduct at least one audit
5 annually and shall bear the costs of the audit.

6 (d) (Reserved).

7 (e) Collection, deposit and disposition.--The treasurer of
8 each county that imposes the tax authorized under this section
9 shall collect the tax and deposit the revenues received from the
10 tax in a special fund established for that purpose. Subject to
11 the deduction of the administrative fee authorized by subsection
12 (h), the disposition of the revenues from the special fund shall
13 be as follows:

14 (1) Seventy-five percent of all revenues received per
15 annum shall be used by the county's recognized TPA for the
16 promotion, advertising and marketing of tourism and special
17 events and for administrative costs.

18 (2) Twenty-five percent of all revenues received per
19 annum shall be distributed as follows:

20 (i) Fifty percent shall be used by the county
21 commissioners for the purposes of economic development,
22 historic preservation and the arts. The county
23 commissioners shall use 10% of the funds received under
24 this subparagraph for grants to municipalities that each
25 have at least 20,000 residents.

26 (ii) Fifty percent shall be used by the county
27 commissioners for grants to municipalities that:

28 (A) have a municipal police department employing
29 at least two full-time police officers assigned to
30 law enforcement duties who work a minimum of 200 days
31 per year; or

32 (B) are a member of a regional police department
33 that provides full-time police services to the
34 municipality pursuant to an agreement or contract.

35 (iii) Municipalities receiving grants under
36 subparagraph (ii) must meet or have met the eligibility
37 requirements under subparagraph (ii)(A) or (B) for a
38 minimum of two years prior to receiving the grant.

39 (f) Grants.--Grants under subsection (e)(2)(ii) shall be
40 distributed to municipalities in proportion to the number of
41 hotel rooms within the municipality as a percentage of the total
42 number of hotel rooms in municipalities with police departments
43 under subsection (e)(2)(ii) as compiled by the recognized TPA
44 and certified by the county commissioners. Grants shall be used
45 for police and law enforcement purposes. Any portion of a grant
46 not used for police and law enforcement purposes shall be
47 returned to the county for the purposes of subsection (d)(2)(i).

48 (g) Tax year.--The tax year for a tax imposed under this
49 section shall run concurrently with the calendar year.

50 (h) Audited report.--An audited report on the income and
51 expenditures incurred by a TPA receiving any revenues from the

1 tax authorized under this section shall be submitted annually by
2 the TPA to the county commissioners.

3 (i) Administrative fee.--The county may deduct and retain an
4 administrative fee from the taxes collected under this section.
5 The administrative fee established by the county may not exceed
6 in any tax year the lesser of:

7 (1) four and one-half percent of all taxes collected
8 under this section; or

9 (2) ninety-five thousand dollars, which amount shall be
10 adjusted biannually, beginning two years after the effective
11 date of this subsection, by the percentage growth in the
12 Consumer Price Index for All Urban Consumers.

13 (j) Use of fee.--Revenue collected from the fee imposed
14 under subsection (i) shall be used for the following purposes:

15 (1) Defraying the costs associated with the collection
16 and administration of the tax.

17 (2) Defraying the costs of the audit required under
18 subsection (c).

19 (k) Definitions.--As used in this section, the following
20 words and phrases shall have the meanings given to them in this
21 subsection unless the context clearly indicates otherwise:

22 "Consideration." Receipts, fees, charges, rentals, leases,
23 cash, credits, property of any kind or nature, or other payment
24 received by operators in exchange for or in consideration of the
25 use or occupancy by a transient of a room or rooms in a hotel
26 for any temporary period.

27 "Hotel." A hotel, motel, inn, guest house or other structure
28 which holds itself out by any means, including advertising,
29 license, registration with an innkeepers' group, convention
30 listing association, travel publication or similar association
31 or with a government agency, as being available to provide
32 overnight lodging or use of facility space for consideration to
33 persons seeking temporary accommodation; any place which
34 advertises to the public at large or any segment thereof that it
35 will provide beds, sanitary facilities or other space for a
36 temporary period to members of the public at large; or any place
37 recognized as a hostelry. The term does not include any portion
38 of a facility that is devoted to persons who have an established
39 permanent residence or a college or university student residence
40 hall.

41 "Occupancy." The use or possession or the right to the use
42 or possession by any person other than a permanent resident of
43 any room in a hotel for any purpose or the right to the use or
44 possession of the furnishings or to the services accompanying
45 the use and possession of the room.

46 "Operator." An individual, partnership, nonprofit or profit-
47 making association or corporation or other person or group of
48 persons who maintain, operate, manage, own, have custody of or
49 otherwise possess the right to rent or lease overnight
50 accommodations in a hotel to the public for consideration.

51 "Patron." A person who pays the consideration for the

1 occupancy of a room or rooms in a hotel.

2 "Permanent resident." A person who has occupied or has the
3 right to occupancy of a room or rooms in a hotel as a patron or
4 otherwise for a period exceeding thirty consecutive days.

5 "Room." A space in a hotel set aside for use and occupancy
6 by patrons, or otherwise, for consideration, having at least one
7 bed or other sleeping accommodation in a room or group of rooms.

8 "Tourist Promotion Agency (TPA)." An organization, agency or
9 corporation designated to be such by the board of commissioners
10 as of January 1, 2000, of the county in which the tax is
11 imposed. The TPA shall be duly established, designated and
12 recognized as the county's TPA in accordance with and pursuant
13 to the act of July 4, 2008 (P.L.621, No.50), known as the
14 "Tourism Promotion Act."

15 "Transaction." The activity involving the obtaining by a
16 transient or patron of the use or occupancy of a hotel room from
17 which consideration is payable to the operator under an express
18 or an implied contract.

19 "Transient." An individual who obtains accommodation in a
20 hotel by means of registering at the facility for the temporary
21 occupancy of a room for the personal use of the individual by
22 paying a fee to the operator.

23 Section 4. This act shall take effect as follows:

24 (1) The addition of 53 Pa.C.S. § 8723 shall take effect
25 immediately.

26 (2) This section shall take effect immediately.

27 (3) The remainder of this act shall take effect in 60
28 days.