

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2259 Session of  
1990

INTRODUCED BY TRELLO, COLAFELLA, GAMBLE, LAUGHLIN AND LaGROTTA,  
JANUARY 31, 1990

REFERRED TO COMMITTEE ON FINANCE, JANUARY 31, 1990

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," further providing for the method of payment of  
11 sales tax on motor vehicles, trailers and semi-trailers.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. Section 238 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, amended December  
16 28, 1972 (P.L.1633, No.340), is amended to read:

17 Section 238. Collection of Tax on Motor Vehicles, Trailers  
18 and Semi-Trailers.--(a) Notwithstanding the provisions of  
19 clause (1) of subsection (b) of section 237 of this article, tax  
20 due on the sale at retail or use of a motor vehicle, trailer or  
21 semi-trailer, except mobilehomes as defined in "The Vehicle  
22 Code," required by law to be registered with the department

1 under the provisions of "The Vehicle Code" shall be paid by the  
2 purchaser or user directly to the department upon application to  
3 the department for an issuance of a certificate of title upon  
4 such motor vehicle, trailer or semi-trailer. The tax due shall  
5 be paid by a check or other instrument drawn by the purchaser or  
6 user or his lender payable to the order of the department. The  
7 check or other instrument shall be solely for the tax due and  
8 shall be separate and apart from any fees or other items which  
9 may constitute a part of the transaction. The department shall  
10 not issue a certificate of title [until the] unless:

11 (1) The tax has been paid[, or evidence];

12 (2) Evidence satisfactory to the department has been given  
13 to establish that tax is not due[.]; or

14 (3) The purchaser or user provides convincing evidence that  
15 the tax was paid to a dealer prior to the effective date of this  
16 clause. Under the circumstances of this clause the dealer shall  
17 be the party liable for the tax due, but nonpayment by the  
18 dealer shall not delay the issuance of the certificate of title  
19 to the purchaser or user.

20 (b) The department may cancel or suspend any record of  
21 certificate of title or registration of a motor vehicle, trailer  
22 or semi-trailer when the check received in payment of the tax on  
23 such vehicle is not paid upon demand. Such tax shall be  
24 considered as a first encumbrance against such vehicle and the  
25 vehicle may not be transferred without first payment in full of  
26 such tax and any interest additions or penalties which shall  
27 accrue thereon in accordance with this article.

28 Section 2. This act shall take effect as follows:

29 (1) Section 238(a)(3) of the act shall take effect  
30 immediately.

1           (2) The remainder of this act shall take effect in 60  
2    days.