

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1813 Session of  
1991

INTRODUCED BY GEIST, LAUGHLIN, HERMAN, HAGARTY, JAROLIN,  
D. W. SNYDER, HALUSKA, HECKLER, BATTISTO, JOHNSON, TRELLO,  
PHILLIPS, BILLOW, CLYMER, LUCYK, HERSHEY, KAISER, CHADWICK,  
COLE, STUBAN, HASAY, STISH, MERRY AND MARKOSEK, JUNE 28, 1991

REFERRED TO COMMITTEE ON FINANCE, JUNE 28, 1991

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," excluding residential geothermal heat pumps from  
11 the sales tax.

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

14 Section 1. Section 201 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, is amended by  
16 adding clauses to read:

17 Section 201. Definitions.--The following words, terms and  
18 phrases when used in this Article II shall have the meaning  
19 ascribed to them in this section, except where the context  
20 clearly indicates a different meaning:

21 \* \* \*

1     (w) "Residential geothermal heat pump." A mechanical system  
2 designed to utilize the natural heat of the earth by extracting  
3 the heat energy in groundwater to provide residential heating  
4 and by extracting the heat from the air and dissipating it into  
5 the groundwater to provide residential cooling including, but  
6 not limited to, such components as water-to-refrigerant heat  
7 exchanger, refrigerant-to-air heat exchanger, refrigerant-to-  
8 water heat exchanger and refrigerant compressor.

9     (x) "Groundwater." Water from aquifers, lakes, wells and  
10 any other occurrences of water in and under the ground, whether  
11 percolating or otherwise, located on the residential property  
12 and from privately distributed or municipally distributed water  
13 systems.

14     Section 2. Section 204 of the act is amended by adding a  
15 clause to read:

16     Section 204. Exclusions from Tax.--The tax imposed by  
17 section 202 shall not be imposed upon

18     \* \* \*

19     (47) The sale at retail of residential geothermal heat  
20 pumps.

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