

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 134 Session of  
1997

INTRODUCED BY TRUE, SCHULER, PETTIT, THOMAS, VANCE, MANDERINO, BARLEY, RUBLEY, JOSEPHS, BROWN, MILLER, EGOLF, HERSHEY, ARMSTRONG, MASLAND, BEBKO-JONES, MUNDY, LAUGHLIN, YOUNGBLOOD, MAITLAND, BOYES, STRITTMATTER, GEORGE, HENNESSEY, MARSICO, WOJNAROSKI, WALKO, READSHAW, NAILOR, DALEY, GIGLIOTTI, CHADWICK, FLEAGLE, HALUSKA, ZUG, CAPPABIANCA, MELIO, FICHTER, SANTONI, KELLER, SAINATO, FARGO, MARKOSEK, FAIRCHILD, PESCI, JAROLIN, LAWLESS, PLATTS, RYAN, PERZEL, E. Z. TAYLOR, STERN, ROONEY, SHANER, OLASZ, BAKER, CURRY, BATTISTO, COY, McCALL, LaGROTTA, STURLA, TRAVAGLIO, TANGRETTI, ADOLPH, JAMES, LEH, HERMAN, LEVDANSKY, J. TAYLOR, COLAFELLA, CORNELL, STEELMAN, BARD, FEESE, LUCYK, TRELLO, LEDERER, BROWNE, PETRARCA, WAUGH, DeLUCA, D. W. SNYDER, C. WILLIAMS, CIVERA, ALLEN, DiGIROLAMO, DENT, HUTCHINSON, WILT AND RAMOS, JANUARY 29, 1997

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,  
FEBRUARY 4, 1997

## AN ACT

1 ~~Providing for an income tax refund checkoff for breast and~~ <—  
2 ~~cervical cancer research; and making a repeal.~~  
3 AMENDING THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), ENTITLED "AN <—  
4 ACT RELATING TO TAX REFORM AND STATE TAXATION BY CODIFYING  
5 AND ENUMERATING CERTAIN SUBJECTS OF TAXATION AND IMPOSING  
6 TAXES THEREON; PROVIDING PROCEDURES FOR THE PAYMENT,  
7 COLLECTION, ADMINISTRATION AND ENFORCEMENT THEREOF; PROVIDING  
8 FOR TAX CREDITS IN CERTAIN CASES; CONFERRING POWERS AND  
9 IMPOSING DUTIES UPON THE DEPARTMENT OF REVENUE, CERTAIN  
10 EMPLOYERS, FIDUCIARIES, INDIVIDUALS, PERSONS, CORPORATIONS  
11 AND OTHER ENTITIES; PRESCRIBING CRIMES, OFFENSES AND  
12 PENALTIES," FURTHER PROVIDING FOR SALES AND USE TAX  
13 DEFINITIONS, FOR PERSONAL INCOME TAX DEFINITIONS, FOR SPECIAL  
14 TAX PROVISIONS ON POVERTY; PROVIDING FOR INCOME TAX REFUND  
15 CHECKOFFS FOR BREAST AND CERVICAL CANCER RESEARCH; FURTHER  
16 PROVIDING FOR REALTY TRANSFER TAX DEFINITIONS AND EXCLUSIONS;  
17 AND MAKING REPEALS.

18 The General Assembly of the Commonwealth of Pennsylvania  
19 hereby enacts as follows:

1 ~~Section 1.— Short title.~~

2 ~~This act shall be known and may be cited as the Contributions~~  
3 ~~to Breast and Cervical Cancer Research Act.~~

4 ~~Section 2.— Definitions.~~

5 ~~The following words and phrases when used in this act shall~~  
6 ~~have the meanings given to them in this section unless the~~  
7 ~~context clearly indicates otherwise:~~

8 ~~"Department."— The Department of Revenue of the Commonwealth.~~

9 ~~"Individual income tax."— The tax imposed by Article III of~~  
10 ~~the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform~~  
11 ~~Code of 1971.~~

12 ~~Section 3.— Space on form for contributions to breast and~~  
13 ~~cervical cancer research.~~

14 ~~(a) Use designation.— The department shall provide a space~~  
15 ~~on the face of the individual income tax return form whereby an~~  
16 ~~individual may voluntarily designate a contribution of any~~  
17 ~~amount desired to be utilized for breast and cervical cancer~~  
18 ~~research in the Department of Health.~~

19 ~~(b) Deduction.— The amount so designated on the individual~~  
20 ~~income tax return form shall be deducted from the tax refund to~~  
21 ~~which the individual is entitled and shall not constitute a~~  
22 ~~charge against the income tax revenues due to the Commonwealth.~~

23 ~~(c) State Treasurer.— The department shall determine~~  
24 ~~annually the total amount designated under this section, less~~  
25 ~~reasonable administrative costs, and shall report the amount to~~  
26 ~~the State Treasurer, who shall transfer the amount from the~~  
27 ~~General Fund to the Pennsylvania Cancer Control, Prevention and~~  
28 ~~Research Advisory Board within the Department of Health.~~

29 ~~(d) Checkoff information.— The department shall provide~~  
30 ~~adequate information concerning the checkoff for breast and~~

~~cervical cancer research in its instructions which accompany  
State income tax return forms. The information concerning the  
checkoff shall include the listing of an address furnished by  
the Department of Health, to which contributions may be sent by  
taxpayers wishing to contribute to this effort, but who do not  
receive refunds. Additionally, the Department of Health shall be  
charged with the duty to conduct a public information campaign  
on the availability of this opportunity to Pennsylvania  
taxpayers.~~

~~(e) Report. The Department of Health shall report annually  
to the respective committees of the Senate and the House of  
Representatives which have jurisdiction over health matters on  
the amount received via the checkoff plan and how the funds were  
utilized.~~

~~(f) Appropriation of funds. The General Assembly may, from  
time to time, appropriate funds for breast and cervical cancer  
research within the Department of Health.~~

~~Section 4. Repeal.~~

~~Section 12 of the act of June 23, 1982 (P.L.597, No.170),  
known as the Wild Resource Conservation Act, is repealed insofar  
as it is inconsistent with this act.~~

~~Section 5. Applicability.~~

~~This act shall apply to taxable years beginning on or after  
January 1, 1997.~~

~~Section 6. Effective date.~~

~~This act shall take effect immediately.~~

SECTION 1. SECTION 201(B), (C), (D), (F), (G), (K), (O) AND <—  
(JJ) OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX  
REFORM CODE OF 1971, AMENDED OR ADDED AUGUST 4, 1991 (P.L.97,  
NO.22), DECEMBER 13, 1991 (P.L.373, NO.40), JUNE 16, 1994

1 (P.L.279, NO.48) AND JUNE 30, 1995 (P.L.139, NO.21), ARE AMENDED  
2 TO READ:

3 SECTION 201. DEFINITIONS.--THE FOLLOWING WORDS, TERMS AND  
4 PHRASES WHEN USED IN THIS ARTICLE II SHALL HAVE THE MEANING  
5 ASCRIBED TO THEM IN THIS SECTION, EXCEPT WHERE THE CONTEXT  
6 CLEARLY INDICATES A DIFFERENT MEANING:

7 \* \* \*

8 (B) "MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH."

9 (1) HAVING OR MAINTAINING WITHIN THIS COMMONWEALTH, DIRECTLY  
10 OR BY A SUBSIDIARY, AN OFFICE, DISTRIBUTION HOUSE, SALES HOUSE,  
11 WAREHOUSE, SERVICE ENTERPRISE OR OTHER PLACE OF BUSINESS, OR ANY  
12 AGENT OF GENERAL OR RESTRICTED AUTHORITY IRRESPECTIVE OF WHETHER  
13 THE PLACE OF BUSINESS OR AGENT IS LOCATED HERE PERMANENTLY OR  
14 TEMPORARILY OR WHETHER THE PERSON OR SUBSIDIARY MAINTAINING SUCH  
15 PLACE OF BUSINESS OR AGENT IS AUTHORIZED TO DO BUSINESS WITHIN  
16 THIS COMMONWEALTH; OR

17 (2) THE ENGAGING IN ANY ACTIVITY AS A BUSINESS WITHIN THIS  
18 COMMONWEALTH BY ANY PERSON, DIRECTLY OR BY A SUBSIDIARY, IN  
19 CONNECTION WITH THE LEASE, SALE OR DELIVERY OF TANGIBLE PERSONAL  
20 PROPERTY OR THE PERFORMANCE OF SERVICES THEREON FOR USE, STORAGE  
21 OR CONSUMPTION OR IN CONNECTION WITH THE SALE OR DELIVERY FOR  
22 USE OF THE SERVICES DESCRIBED IN SUBCLAUSES (11) THROUGH (16)  
23 AND (18) OF CLAUSE (K) OF THIS SECTION, INCLUDING, BUT NOT  
24 LIMITED TO, HAVING, MAINTAINING OR USING ANY OFFICE,  
25 DISTRIBUTION HOUSE, SALES HOUSE, WAREHOUSE OR OTHER PLACE OF  
26 BUSINESS, ANY STOCK OF GOODS OR ANY SOLICITOR, SALESMAN, AGENT  
27 OR REPRESENTATIVE UNDER ITS AUTHORITY, AT ITS DIRECTION OR WITH  
28 ITS PERMISSION, REGARDLESS OF WHETHER THE PERSON OR SUBSIDIARY  
29 IS AUTHORIZED TO DO BUSINESS IN THIS COMMONWEALTH.

30 (3) REGULARLY OR SUBSTANTIALLY SOLICITING ORDERS WITHIN THIS

1 COMMONWEALTH IN CONNECTION WITH THE LEASE, SALE OR DELIVERY OF  
2 TANGIBLE PERSONAL PROPERTY TO OR THE PERFORMANCE THEREON OF  
3 SERVICES OR IN CONNECTION WITH THE SALE OR DELIVERY OF THE  
4 SERVICES DESCRIBED IN SUBCLAUSES (11) THROUGH (16) AND (18) OF  
5 CLAUSE (K) OF THIS SECTION FOR RESIDENTS OF THIS COMMONWEALTH BY  
6 MEANS OF CATALOGUES OR OTHER ADVERTISING, WHETHER SUCH ORDERS  
7 ARE ACCEPTED WITHIN OR WITHOUT THIS COMMONWEALTH.

8 (C) "MANUFACTURE." THE PERFORMANCE OF MANUFACTURING,  
9 FABRICATING, COMPOUNDING, PROCESSING OR OTHER OPERATIONS,  
10 ENGAGED IN AS A BUSINESS, WHICH PLACE ANY TANGIBLE PERSONAL  
11 PROPERTY IN A FORM, COMPOSITION OR CHARACTER DIFFERENT FROM THAT  
12 IN WHICH IT IS ACQUIRED WHETHER FOR SALE OR USE BY THE  
13 MANUFACTURER, AND SHALL INCLUDE, BUT NOT BE LIMITED TO--

14 (1) EVERY OPERATION COMMENCING WITH THE FIRST PRODUCTION  
15 STAGE AND ENDING WITH THE COMPLETION OF TANGIBLE PERSONAL  
16 PROPERTY HAVING THE PHYSICAL QUALITIES (INCLUDING PACKAGING, IF  
17 ANY, PASSING TO THE ULTIMATE CONSUMER) WHICH IT HAS WHEN  
18 TRANSFERRED BY THE MANUFACTURER TO ANOTHER;

19 (2) THE PUBLISHING OF BOOKS, NEWSPAPERS, MAGAZINES AND OTHER  
20 PERIODICALS AND PRINTING;

21 (3) REFINING, BLASTING, EXPLORING, MINING AND QUARRYING FOR,  
22 OR OTHERWISE EXTRACTING FROM THE EARTH OR FROM WASTE OR STOCK  
23 PILES OR FROM PITS OR BANKS ANY NATURAL RESOURCES, MINERALS AND  
24 MINERAL AGGREGATES INCLUDING BLAST FURNACE SLAG;

25 (4) BUILDING, REBUILDING, REPAIRING AND MAKING ADDITIONS TO,  
26 OR REPLACEMENTS IN OR UPON VESSELS DESIGNED FOR COMMERCIAL USE  
27 OF REGISTERED TONNAGE OF FIFTY TONS OR MORE WHEN PRODUCED UPON  
28 SPECIAL ORDER OF THE PURCHASER, OR WHEN REBUILT, REPAIRED OR  
29 ENLARGED, OR WHEN REPLACEMENTS ARE MADE UPON ORDER OF, OR FOR  
30 THE ACCOUNT OF THE OWNER;

1 (5) RESEARCH HAVING AS ITS OBJECTIVE THE PRODUCTION OF A NEW  
2 OR AN IMPROVED (I) PRODUCT OR UTILITY SERVICE, OR (II) METHOD OF  
3 PRODUCING A PRODUCT OR UTILITY SERVICE, BUT IN EITHER CASE NOT  
4 INCLUDING MARKET RESEARCH OR RESEARCH HAVING AS ITS OBJECTIVE  
5 THE IMPROVEMENT OF ADMINISTRATIVE EFFICIENCY.

6 (6) REMANUFACTURE FOR WHOLESALE DISTRIBUTION BY A  
7 REMANUFACTURER OF MOTOR VEHICLE PARTS FROM USED PARTS ACQUIRED  
8 IN BULK BY THE REMANUFACTURER USING AN ASSEMBLY LINE PROCESS  
9 WHICH INVOLVES THE COMPLETE DISASSEMBLY OF SUCH PARTS AND  
10 INTEGRATION OF THE COMPONENTS OF SUCH PARTS WITH OTHER USED OR  
11 NEW COMPONENTS OF PARTS, INCLUDING THE SALVAGING, RECYCLING OR  
12 RECLAIMING OF USED PARTS BY THE REMANUFACTURER.

13 (7) REMANUFACTURE OR RETROFIT BY A MANUFACTURER OR  
14 REMANUFACTURER OF AIRCRAFT, ARMORED VEHICLES, OTHER DEFENSE-  
15 RELATED VEHICLES HAVING A FINISHED VALUE OF AT LEAST FIFTY  
16 THOUSAND DOLLARS (\$50,000). REMANUFACTURE OR RETROFIT INVOLVES  
17 THE DISASSEMBLY OF SUCH AIRCRAFT, VEHICLES, PARTS OR COMPONENTS,  
18 INCLUDING ELECTRIC OR ELECTRONIC COMPONENTS, THE INTEGRATION OF  
19 THOSE PARTS AND COMPONENTS WITH OTHER USED OR NEW PARTS OR  
20 COMPONENTS, INCLUDING THE SALVAGING, RECYCLING OR RECLAIMING OF  
21 THE USED PARTS OR COMPONENTS AND THE ASSEMBLY OF THE NEW OR USED  
22 AIRCRAFT, VEHICLES, PARTS OR COMPONENTS. FOR PURPOSES OF THIS  
23 CLAUSE, THE FOLLOWING TERMS OR PHRASES HAVE THE FOLLOWING  
24 MEANINGS:

25 (I) "AIRCRAFT" MEANS FIXED-WING AIRCRAFT, HELICOPTERS,  
26 POWERED AIRCRAFT, TILT-ROTOR OR TILT-WING AIRCRAFT, UNMANNED  
27 AIRCRAFT AND GLIDERS;

28 (II) "ARMORED VEHICLES" MEANS TANKS, ARMED PERSONNEL  
29 CARRIERS AND ALL OTHER ARMED TRACK OR SEMITRACK VEHICLES; OR

30 (III) "OTHER DEFENSE-RELATED VEHICLES" MEANS TRUCKS, TRUCK-

1 TRACTORS, TRAILERS, JEEPS AND OTHER UTILITY VEHICLES, INCLUDING  
2 ANY UNMANNED VEHICLES.

3 THE TERM "MANUFACTURE[,]" SHALL NOT INCLUDE CONSTRUCTING,  
4 ALTERING, SERVICING, REPAIRING OR IMPROVING REAL ESTATE OR  
5 REPAIRING, SERVICING OR INSTALLING TANGIBLE PERSONAL PROPERTY,  
6 NOR THE COOKING[, ] OR FREEZING [OR BAKING] OF FRUITS,  
7 VEGETABLES, MUSHROOMS, FISH, SEAFOOD, MEATS[, ] OR POULTRY [OR  
8 BAKERY PRODUCTS].

9 \* \* \*

10 (D) "PROCESSING." THE PERFORMANCE OF THE FOLLOWING  
11 ACTIVITIES WHEN ENGAGED IN AS A BUSINESS ENTERPRISE:

12 (1) THE FILTERING OR HEATING OF HONEY, THE COOKING[, BAKING]  
13 OR FREEZING OF FRUITS, VEGETABLES, MUSHROOMS, FISH, SEAFOOD,  
14 MEATS[, ] OR POULTRY [OR BAKERY PRODUCTS], WHEN THE PERSON  
15 ENGAGED IN SUCH BUSINESS PACKAGES SUCH PROPERTY IN SEALED  
16 CONTAINERS FOR WHOLESALE DISTRIBUTION.

17 (1.1) THE PROCESSING OF VEGETABLES BY CLEANING, CUTTING,  
18 CORING OR CHOPPING AND TREATING TO PRESERVE, STERILIZE OR PURIFY  
19 AND SUBSTANTIALLY EXTEND THE USEFUL SHELF LIFE OF THE  
20 VEGETABLES, WHEN THE PERSON ENGAGED IN SUCH ACTIVITY PACKAGES  
21 SUCH PROPERTY IN SEALED CONTAINERS FOR WHOLESALE DISTRIBUTION.

22 (2) THE SCOURING, CARBONIZING, CORDING, COMBING, THROWING,  
23 TWISTING OR WINDING OF NATURAL OR SYNTHETIC FIBERS, OR THE  
24 SPINNING, BLEACHING, DYEING, PRINTING OR FINISHING OF YARNS OR  
25 FABRICS, WHEN SUCH ACTIVITIES ARE PERFORMED PRIOR TO SALE TO THE  
26 ULTIMATE CONSUMER.

27 (3) THE ELECTROPLATING, GALVANIZING, ENAMELING, ANODIZING,  
28 COLORING, FINISHING, IMPREGNATING OR HEAT TREATING OF METALS OR  
29 PLASTICS FOR SALE OR IN THE PROCESS OF MANUFACTURING.

30 (4) THE ROLLING, DRAWING OR EXTRUDING OF FERROUS AND NON-

1 FERROUS METALS.

2 (5) THE FABRICATION FOR SALE OF ORNAMENTAL OR STRUCTURAL  
3 METAL OR OF METAL STAIRS, STAIRCASES, GRATINGS, FIRE ESCAPES OR  
4 RAILINGS (NOT INCLUDING FABRICATION WORK DONE AT THE  
5 CONSTRUCTION SITE).

6 (6) THE PREPARATION OF ANIMAL FEED OR POULTRY FEED FOR SALE.

7 (7) THE PRODUCTION, PROCESSING AND BOTTLING OF NON-ALCOHOLIC  
8 BEVERAGES FOR WHOLESALE DISTRIBUTION.

9 (8) THE OPERATION OF A SAW MILL OR PLANING MILL FOR THE  
10 PRODUCTION OF LUMBER OR LUMBER PRODUCTS FOR SALE.

11 (9) THE MILLING FOR SALE OF FLOUR OR MEAL FROM GRAINS.

12 (10) THE SLAUGHTERING AND DRESSING OF ANIMALS FOR MEAT TO BE  
13 SOLD OR TO BE USED IN PREPARING MEAT PRODUCTS FOR SALE, AND THE  
14 PREPARATION OF MEAT PRODUCTS INCLUDING LARD, TALLOW, GREASE,  
15 COOKING AND INEDIBLE OILS FOR WHOLESALE DISTRIBUTION.

16 (11) THE PROCESSING OF USED LUBRICATING OILS.

17 (12) THE BROADCASTING OF RADIO AND TELEVISION PROGRAMS OF  
18 LICENSED COMMERCIAL OR EDUCATIONAL STATIONS.

19 \* \* \*

20 (F) "PURCHASE AT RETAIL."

21 (1) THE ACQUISITION FOR A CONSIDERATION OF THE OWNERSHIP,  
22 CUSTODY OR POSSESSION OF TANGIBLE PERSONAL PROPERTY OTHER THAN  
23 FOR RESALE BY THE PERSON ACQUIRING THE SAME WHEN SUCH  
24 ACQUISITION IS MADE FOR THE PURPOSE OF CONSUMPTION OR USE,  
25 WHETHER SUCH ACQUISITION SHALL BE ABSOLUTE OR CONDITIONAL, AND  
26 BY WHATSOEVER MEANS THE SAME SHALL HAVE BEEN EFFECTED.

27 (2) THE ACQUISITION OF A LICENSE TO USE OR CONSUME, AND THE  
28 RENTAL OR LEASE OF TANGIBLE PERSONAL PROPERTY, OTHER THAN FOR  
29 RESALE REGARDLESS OF THE PERIOD OF TIME THE LESSEE HAS  
30 POSSESSION OR CUSTODY OF THE PROPERTY.



(3) THE OBTAINING FOR A CONSIDERATION OF THOSE SERVICES DESCRIBED IN SUBCLAUSES (2), (3) AND (4) OF CLAUSE (K) OF THIS SECTION OTHER THAN FOR RESALE.

(4) A RETENTION AFTER MARCH 7, 1956, OF POSSESSION, CUSTODY OR A LICENSE TO USE OR CONSUME PURSUANT TO A RENTAL CONTRACT OR OTHER LEASE ARRANGEMENT (OTHER THAN AS SECURITY), OTHER THAN FOR RESALE.

(5) THE OBTAINING FOR A CONSIDERATION OF THOSE SERVICES DESCRIBED IN SUBCLAUSES (11) THROUGH (16) AND (18) OF CLAUSE (K) OF THIS SECTION.

THE TERM "PURCHASE AT RETAIL" WITH RESPECT TO "LIQUOR" AND "MALT OR BREWED BEVERAGES" SHALL INCLUDE THE PURCHASE OF "LIQUOR" FROM ANY "PENNSYLVANIA LIQUOR STORE" BY ANY PERSON FOR ANY PURPOSE, AND THE PURCHASE OF "MALT OR BREWED BEVERAGES" FROM A "MANUFACTURER OF MALT OR BREWED BEVERAGES," "DISTRIBUTOR" OR "IMPORTING DISTRIBUTOR" BY ANY PERSON FOR ANY PURPOSE, EXCEPT PURCHASES FROM A "MANUFACTURER OF MALT OR BREWED BEVERAGES" BY A "DISTRIBUTOR" OR "IMPORTING DISTRIBUTOR" OR PURCHASES FROM AN "IMPORTING DISTRIBUTOR" BY A "DISTRIBUTOR" WITHIN THE MEANING OF THE "LIQUOR CODE." THE TERM "PURCHASE AT RETAIL" SHALL NOT INCLUDE ANY PURCHASE OF "MALT OR BREWED BEVERAGES" FROM A "RETAIL DISPENSER" OR ANY PURCHASE OF "LIQUOR" OR "MALT OR BREWED BEVERAGES" FROM A PERSON HOLDING A "RETAIL LIQUOR LICENSE" WITHIN THE MEANING OF AND PURSUANT TO THE PROVISIONS OF THE "LIQUOR CODE," BUT SHALL INCLUDE ANY PURCHASE OR ACQUISITION OF "LIQUOR" OR "MALT OR BREWED BEVERAGES" OTHER THAN PURSUANT TO THE PROVISIONS OF THE "LIQUOR CODE."

(G) "PURCHASE PRICE."

(1) THE TOTAL VALUE OF ANYTHING PAID OR DELIVERED, OR PROMISED TO BE PAID OR DELIVERED, WHETHER IT BE MONEY OR

1 OTHERWISE, IN COMPLETE PERFORMANCE OF A SALE AT RETAIL OR  
2 PURCHASE AT RETAIL, AS HEREIN DEFINED, WITHOUT ANY DEDUCTION ON  
3 ACCOUNT OF THE COST OR VALUE OF THE PROPERTY SOLD, COST OR VALUE  
4 OF TRANSPORTATION, COST OR VALUE OF LABOR OR SERVICE, INTEREST  
5 OR DISCOUNT PAID OR ALLOWED AFTER THE SALE IS CONSUMMATED, ANY  
6 OTHER TAXES IMPOSED BY THE COMMONWEALTH OF PENNSYLVANIA OR ANY  
7 OTHER EXPENSE EXCEPT THAT THERE SHALL BE EXCLUDED ANY GRATUITY  
8 OR SEPARATELY STATED DEPOSIT CHARGE FOR RETURNABLE CONTAINERS.

9 (2) THERE SHALL BE DEDUCTED FROM THE PURCHASE PRICE THE  
10 VALUE OF ANY TANGIBLE PERSONAL PROPERTY ACTUALLY TAKEN IN TRADE  
11 OR EXCHANGE IN LIEU OF THE WHOLE OR ANY PART OF THE PURCHASE  
12 PRICE. FOR THE PURPOSE OF THIS CLAUSE, THE AMOUNT ALLOWED BY  
13 REASON OF TANGIBLE PERSONAL PROPERTY ACTUALLY TAKEN IN TRADE OR  
14 EXCHANGE SHALL BE CONSIDERED THE VALUE OF SUCH PROPERTY.

15 (3) IN DETERMINING THE PURCHASE PRICE ON THE SALE OR USE OF  
16 TAXABLE TANGIBLE PERSONAL PROPERTY OR A SERVICE DESCRIBED IN  
17 SUBCLAUSES (11) THROUGH (16) AND (18) OF CLAUSE (K) OF THIS  
18 SECTION WHERE, BECAUSE OF AFFILIATION OF INTERESTS BETWEEN THE  
19 VENDOR AND PURCHASER, OR IRRESPECTIVE OF ANY SUCH AFFILIATION,  
20 IF FOR ANY OTHER REASON THE PURCHASE PRICE DECLARED BY THE  
21 VENDOR OR TAXPAYER ON THE TAXABLE SALE OR USE OF SUCH TANGIBLE  
22 PERSONAL PROPERTY OR SERVICE IS, IN THE OPINION OF THE  
23 DEPARTMENT, NOT INDICATIVE OF THE TRUE VALUE OF THE ARTICLE OR  
24 SERVICE OR THE FAIR PRICE THEREOF, THE DEPARTMENT SHALL,  
25 PURSUANT TO UNIFORM AND EQUITABLE RULES, DETERMINE THE AMOUNT OF  
26 CONSTRUCTIVE PURCHASE PRICE UPON THE BASIS OF WHICH THE TAX  
27 SHALL BE COMPUTED AND LEVIED. SUCH RULES SHALL PROVIDE FOR A  
28 CONSTRUCTIVE AMOUNT OF PURCHASE PRICE FOR EACH SUCH SALE OR USE  
29 WHICH WOULD NATURALLY AND FAIRLY BE CHARGED IN AN ARMS-LENGTH  
30 TRANSACTION IN WHICH THE ELEMENT OF COMMON INTEREST BETWEEN THE

1 VENDOR OR PURCHASER IS ABSENT OR IF NO COMMON INTEREST EXISTS,  
2 ANY OTHER ELEMENT CAUSING A DISTORTION OF THE PRICE OR VALUE IS  
3 LIKEWISE ABSENT. FOR THE PURPOSE OF THIS CLAUSE WHERE A TAXABLE  
4 SALE OR PURCHASE AT RETAIL TRANSACTION OCCURS BETWEEN A PARENT  
5 AND A SUBSIDIARY, AFFILIATE OR CONTROLLED CORPORATION OF SUCH  
6 PARENT CORPORATION, THERE SHALL BE A REBUTTABLE PRESUMPTION,  
7 THAT BECAUSE OF SUCH COMMON INTEREST SUCH TRANSACTION WAS NOT AT  
8 ARMS-LENGTH.

9 (4) WHERE THERE IS A TRANSFER OR RETENTION OF POSSESSION OR  
10 CUSTODY, WHETHER IT BE TERMED A RENTAL, LEASE, SERVICE OR  
11 OTHERWISE, OF TANGIBLE PERSONAL PROPERTY INCLUDING, BUT NOT  
12 LIMITED TO LINENS, APRONS, MOTOR VEHICLES, TRAILERS, TIRES,  
13 INDUSTRIAL OFFICE AND CONSTRUCTION EQUIPMENT, AND BUSINESS  
14 MACHINES THE FULL CONSIDERATION PAID OR DELIVERED TO THE VENDOR  
15 OR LESSOR SHALL BE CONSIDERED THE PURCHASE PRICE, EVEN THOUGH  
16 SUCH CONSIDERATION BE SEPARATELY STATED AND BE DESIGNATED AS  
17 PAYMENT FOR PROCESSING, LAUNDERING, SERVICE, MAINTENANCE,  
18 INSURANCE, REPAIRS, DEPRECIATION OR OTHERWISE. WHERE THE VENDOR  
19 OR LESSOR SUPPLIES OR PROVIDES AN EMPLOYEE TO OPERATE SUCH  
20 TANGIBLE PERSONAL PROPERTY, THE VALUE OF THE LABOR THUS SUPPLIED  
21 MAY BE EXCLUDED AND SHALL NOT BE CONSIDERED AS PART OF THE  
22 PURCHASE PRICE IF SEPARATELY STATED. THERE SHALL ALSO BE  
23 INCLUDED AS PART OF THE PURCHASE PRICE THE VALUE OF ANYTHING  
24 PAID OR DELIVERED, OR PROMISED TO BE PAID OR DELIVERED BY A  
25 LESSEE, WHETHER IT BE MONEY OR OTHERWISE, TO ANY PERSON OTHER  
26 THAN THE VENDOR OR LESSOR BY REASON OF THE MAINTENANCE,  
27 INSURANCE OR REPAIR OF THE TANGIBLE PERSONAL PROPERTY WHICH A  
28 LESSEE HAS THE POSSESSION OR CUSTODY OF UNDER A RENTAL CONTRACT  
29 OR LEASE ARRANGEMENT.

30 (5) WITH RESPECT TO THE TAX IMPOSED BY SUBSECTION (B) OF

1 SECTION 202 UPON ANY TANGIBLE PERSONAL PROPERTY ORIGINALLY  
2 PURCHASED BY THE USER OF SUCH PROPERTY SIX MONTHS OR LONGER  
3 PRIOR TO THE FIRST TAXABLE USE OF SUCH PROPERTY WITHIN THE  
4 COMMONWEALTH, SUCH USER MAY ELECT TO PAY TAX ON A SUBSTITUTED  
5 BASE DETERMINED BY CONSIDERING THE PURCHASE PRICE OF SUCH  
6 PROPERTY FOR TAX PURPOSES TO BE EQUAL TO THE PREVAILING MARKET  
7 PRICE OF SIMILAR TANGIBLE PERSONAL PROPERTY AT THE TIME AND  
8 PLACE OF SUCH FIRST USE WITHIN THE COMMONWEALTH. SUCH ELECTION  
9 MUST BE MADE AT THE TIME OF FILING A TAX RETURN WITH THE  
10 DEPARTMENT AND REPORTING SUCH TAX LIABILITY AND PAYING THE  
11 PROPER TAX DUE PLUS ALL ACCRUED PENALTIES AND INTEREST, IF THERE  
12 BE ANY, WITHIN SIX MONTHS OF THE DUE DATE OF SUCH REPORT AND  
13 PAYMENT, AS PROVIDED FOR BY SUBSECTIONS (A) AND (C) OF SECTION  
14 217 OF THIS ARTICLE.

15 (6) THE PURCHASE PRICE OF EMPLOYMENT AGENCY SERVICES AND  
16 HELP SUPPLY SERVICES SHALL BE THE SERVICE FEE PAID BY THE  
17 PURCHASER TO THE VENDOR OR SUPPLYING ENTITY. THE TERM "SERVICE  
18 FEE," AS USED IN THIS SUBCLAUSE, SHALL BE THE TOTAL CHARGE OR  
19 FEE OF THE VENDOR OR SUPPLYING ENTITY MINUS THE COSTS OF THE  
20 SUPPLIED EMPLOYEE WHICH COSTS ARE WAGES, SALARIES, BONUSES AND  
21 COMMISSIONS, EMPLOYMENT BENEFITS, EXPENSE REIMBURSEMENTS AND  
22 PAYROLL AND WITHHOLDING TAXES, TO THE EXTENT THAT THESE COSTS  
23 ARE SPECIFICALLY ITEMIZED OR THAT THESE COSTS IN AGGREGATE ARE  
24 STATED IN BILLINGS FROM THE VENDOR OR SUPPLYING ENTITY. TO THE  
25 EXTENT THAT THESE COSTS ARE NOT ITEMIZED OR STATED ON THE  
26 BILLINGS, THEN THE SERVICE FEE SHALL BE THE TOTAL CHARGE OR FEE  
27 OF THE VENDOR OR SUPPLYING ENTITY.

28 (7) UNLESS THE VENDOR SEPARATELY STATES THAT PORTION OF THE  
29 BILLING WHICH APPLIES TO PREMIUM CABLE SERVICE AS DEFINED IN  
30 CLAUSE (LL) OF THIS SECTION, THE TOTAL BILL FOR THE PROVISION OF

1 ALL CABLE SERVICES SHALL BE THE PURCHASE PRICE.

2 \* \* \*

3 (K) "SALE AT RETAIL."

4 (1) ANY TRANSFER, FOR A CONSIDERATION, OF THE OWNERSHIP,  
5 CUSTODY OR POSSESSION OF TANGIBLE PERSONAL PROPERTY, INCLUDING  
6 THE GRANT OF A LICENSE TO USE OR CONSUME WHETHER SUCH TRANSFER  
7 BE ABSOLUTE OR CONDITIONAL AND BY WHATSOEVER MEANS THE SAME  
8 SHALL HAVE BEEN EFFECTED.

9 (2) THE RENDITION OF THE SERVICE OF PRINTING OR IMPRINTING  
10 OF TANGIBLE PERSONAL PROPERTY FOR A CONSIDERATION FOR PERSONS  
11 WHO FURNISH, EITHER DIRECTLY OR INDIRECTLY THE MATERIALS USED IN  
12 THE PRINTING OR IMPRINTING.

13 (3) THE RENDITION FOR A CONSIDERATION OF THE SERVICE OF--

14 (I) WASHING, CLEANING, WAXING, POLISHING OR LUBRICATING OF  
15 MOTOR VEHICLES OF ANOTHER, WHETHER OR NOT ANY TANGIBLE PERSONAL  
16 PROPERTY IS TRANSFERRED IN CONJUNCTION THEREWITH; AND

17 (II) INSPECTING MOTOR VEHICLES PURSUANT TO THE MANDATORY  
18 REQUIREMENTS OF "THE VEHICLE CODE."

19 (4) THE RENDITION FOR A CONSIDERATION OF THE SERVICE OF  
20 REPAIRING, ALTERING, MENDING, PRESSING, FITTING, DYEING,  
21 LAUNDERING, DRYCLEANING OR CLEANING TANGIBLE PERSONAL PROPERTY  
22 OTHER THAN WEARING APPAREL OR SHOES, OR APPLYING OR INSTALLING  
23 TANGIBLE PERSONAL PROPERTY AS A REPAIR OR REPLACEMENT PART OF  
24 OTHER TANGIBLE PERSONAL PROPERTY EXCEPT WEARING APPAREL OR SHOES  
25 FOR A CONSIDERATION, WHETHER OR NOT THE SERVICES ARE PERFORMED  
26 DIRECTLY OR BY ANY MEANS OTHER THAN BY COIN-OPERATED SELF-  
27 SERVICE LAUNDRY EQUIPMENT FOR WEARING APPAREL OR HOUSEHOLD GOODS  
28 AND WHETHER OR NOT ANY TANGIBLE PERSONAL PROPERTY IS TRANSFERRED  
29 IN CONJUNCTION THEREWITH, EXCEPT SUCH SERVICES AS ARE RENDERED  
30 IN THE CONSTRUCTION, RECONSTRUCTION, REMODELING, REPAIR OR

1 MAINTENANCE OF REAL ESTATE: PROVIDED, HOWEVER, THAT THIS  
2 SUBCLAUSE SHALL NOT BE DEEMED TO IMPOSE TAX UPON SUCH SERVICES  
3 IN THE PREPARATION FOR SALE OF NEW ITEMS WHICH ARE EXCLUDED FROM  
4 THE TAX UNDER CLAUSE (26) OF SECTION 204, OR UPON DIAPER  
5 SERVICE.

6 (8) ANY RETENTION OF POSSESSION, CUSTODY OR A LICENSE TO USE  
7 OR CONSUME TANGIBLE PERSONAL PROPERTY OR ANY FURTHER OBTAINING  
8 OF SERVICES DESCRIBED IN SUBCLAUSES (2), (3) AND (4) OF THIS  
9 CLAUSE PURSUANT TO A RENTAL OR SERVICE CONTRACT OR OTHER  
10 ARRANGEMENT (OTHER THAN AS SECURITY).

11 THE TERM "SALE AT RETAIL" SHALL NOT INCLUDE (I) ANY SUCH  
12 TRANSFER OF TANGIBLE PERSONAL PROPERTY OR RENDITION OF SERVICES  
13 FOR THE PURPOSE OF RESALE, OR (II) SUCH RENDITION OF SERVICES OR  
14 THE TRANSFER OF TANGIBLE PERSONAL PROPERTY INCLUDING, BUT NOT  
15 LIMITED TO, MACHINERY AND EQUIPMENT AND PARTS THEREFOR AND  
16 SUPPLIES TO BE USED OR CONSUMED BY THE PURCHASER DIRECTLY IN THE  
17 OPERATIONS OF--

18 (A) THE MANUFACTURE OF TANGIBLE PERSONAL PROPERTY;

19 (B) FARMING, DAIRYING, AGRICULTURE, HORTICULTURE OR  
20 FLORICULTURE WHEN ENGAGED IN AS A BUSINESS ENTERPRISE. THE TERM  
21 "FARMING" SHALL INCLUDE THE PROPAGATION AND RAISING OF RANCH  
22 RAISED FUR-BEARING ANIMALS AND THE PROPAGATION OF GAME BIRDS FOR  
23 COMMERCIAL PURPOSES BY HOLDERS OF PROPAGATION PERMITS ISSUED  
24 UNDER 34 PA.C.S. (RELATING TO GAME);

25 (C) THE PRODUCING, DELIVERING OR RENDERING OF A PUBLIC  
26 UTILITY SERVICE, OR IN CONSTRUCTING, RECONSTRUCTING, REMODELING,  
27 REPAIRING OR MAINTAINING THE FACILITIES WHICH ARE DIRECTLY USED  
28 IN PRODUCING, DELIVERING OR RENDERING SUCH SERVICE;

29 (D) PROCESSING AS DEFINED IN CLAUSE (D) OF THIS SECTION.

30 THE EXCLUSIONS PROVIDED IN PARAGRAPHS (A), (B), (C) AND (D)

1 SHALL NOT APPLY TO ANY VEHICLE REQUIRED TO BE REGISTERED UNDER  
2 THE VEHICLE CODE, EXCEPT THOSE VEHICLES USED DIRECTLY BY A  
3 PUBLIC UTILITY ENGAGED IN BUSINESS AS A COMMON CARRIER; TO  
4 MAINTENANCE FACILITIES; OR TO MATERIALS, SUPPLIES OR EQUIPMENT  
5 TO BE USED OR CONSUMED IN THE CONSTRUCTION, RECONSTRUCTION,  
6 REMODELING, REPAIR OR MAINTENANCE OF REAL ESTATE OTHER THAN  
7 DIRECTLY USED MACHINERY, EQUIPMENT, PARTS OR FOUNDATIONS  
8 THEREFOR THAT MAY BE AFFIXED TO SUCH REAL ESTATE.

9 THE EXCLUSIONS PROVIDED IN PARAGRAPHS (A), (B), (C) AND (D)  
10 SHALL NOT APPLY TO TANGIBLE PERSONAL PROPERTY OR SERVICES TO BE  
11 USED OR CONSUMED IN MANAGERIAL SALES OR OTHER NONOPERATIONAL  
12 ACTIVITIES, NOR TO THE PURCHASE OR USE OF TANGIBLE PERSONAL  
13 PROPERTY OR SERVICES BY ANY PERSON OTHER THAN THE PERSON  
14 DIRECTLY USING THE SAME IN THE OPERATIONS DESCRIBED IN  
15 PARAGRAPHS (A), (B), (C) AND (D) HEREIN.

16 THE EXCLUSION PROVIDED IN PARAGRAPH (C) SHALL NOT APPLY TO  
17 (I) CONSTRUCTION MATERIALS, SUPPLIES OR EQUIPMENT USED TO  
18 CONSTRUCT, RECONSTRUCT, REMODEL, REPAIR OR MAINTAIN FACILITIES  
19 NOT USED DIRECTLY BY THE PURCHASER IN THE PRODUCTION, DELIVERING  
20 OR RENDITION OF PUBLIC UTILITY SERVICE, (II) CONSTRUCTION  
21 MATERIALS, SUPPLIES OR EQUIPMENT USED TO CONSTRUCT, RECONSTRUCT,  
22 REMODEL, REPAIR OR MAINTAIN A BUILDING, ROAD OR SIMILAR  
23 STRUCTURE, OR (III) TOOLS AND EQUIPMENT USED BUT NOT INSTALLED  
24 IN THE MAINTENANCE OF FACILITIES USED DIRECTLY IN THE  
25 PRODUCTION, DELIVERING OR RENDITION OF A PUBLIC UTILITY SERVICE.

26 THE EXCLUSIONS PROVIDED IN PARAGRAPHS (A), (B), (C) AND (D)  
27 SHALL NOT APPLY TO THE SERVICES ENUMERATED IN CLAUSES (K)(11)  
28 THROUGH (16) AND (18) AND (W) THROUGH (II) AND (KK), EXCEPT THAT  
29 THE EXCLUSION PROVIDED IN THIS SUBCLAUSE FOR FARMING, DAIRYING  
30 AND AGRICULTURE SHALL APPLY TO THE SERVICE ENUMERATED IN CLAUSE

1 (Z).

2 (9) WHERE TANGIBLE PERSONAL PROPERTY OR SERVICES ARE  
3 UTILIZED FOR PURPOSES CONSTITUTING A "SALE AT RETAIL" AND FOR  
4 PURPOSES EXCLUDED FROM THE DEFINITION OF "SALE AT RETAIL," IT  
5 SHALL BE PRESUMED THAT SUCH TANGIBLE PERSONAL PROPERTY OR  
6 SERVICES ARE UTILIZED FOR PURPOSES CONSTITUTING A "SALE AT  
7 RETAIL" AND SUBJECT TO TAX UNLESS THE USER THEREOF PROVES TO THE  
8 DEPARTMENT THAT THE PREDOMINANT PURPOSES FOR WHICH SUCH TANGIBLE  
9 PERSONAL PROPERTY OR SERVICES ARE UTILIZED DO NOT CONSTITUTE A  
10 "SALE AT RETAIL."

11 (10) THE TERM "SALE AT RETAIL" WITH RESPECT TO "LIQUOR" AND  
12 "MALT OR BREWED BEVERAGES" SHALL INCLUDE THE SALE OF "LIQUOR" BY  
13 ANY "PENNSYLVANIA LIQUOR STORE" TO ANY PERSON FOR ANY PURPOSE,  
14 AND THE SALE OF "MALT OR BREWED BEVERAGES" BY A "MANUFACTURER OF  
15 MALT OR BREWED BEVERAGES," "DISTRIBUTOR" OR "IMPORTING  
16 DISTRIBUTOR" TO ANY PERSON FOR ANY PURPOSE, EXCEPT SALES BY A  
17 "MANUFACTURER OF MALT OR BREWED BEVERAGES" TO A "DISTRIBUTOR" OR  
18 "IMPORTING DISTRIBUTOR" OR SALES BY AN "IMPORTING DISTRIBUTOR"  
19 TO A "DISTRIBUTOR" WITHIN THE MEANING OF THE "LIQUOR CODE." THE  
20 TERM "SALE AT RETAIL" SHALL NOT INCLUDE ANY SALE OF "MALT OR  
21 BREWED BEVERAGES" BY A "RETAIL DISPENSER" OR ANY SALE OF  
22 "LIQUOR" OR "MALT OR BREWED BEVERAGES" BY A PERSON HOLDING A  
23 "RETAIL LIQUOR LICENSE" WITHIN THE MEANING OF AND PURSUANT TO  
24 THE PROVISIONS OF THE "LIQUOR CODE," BUT SHALL INCLUDE ANY SALE  
25 OF "LIQUOR" OR "MALT OR BREWED BEVERAGES" OTHER THAN PURSUANT TO  
26 THE PROVISIONS OF THE "LIQUOR CODE."

27 (11) THE RENDITION FOR A CONSIDERATION OF LOBBYING SERVICES.

28 (12) THE RENDITION FOR A CONSIDERATION OF ADJUSTMENT  
29 SERVICES, COLLECTION SERVICES OR CREDIT REPORTING SERVICES.

30 (13) THE RENDITION FOR A CONSIDERATION OF SECRETARIAL OR



1 EDITING SERVICES.

2 (14) THE RENDITION FOR A CONSIDERATION OF DISINFECTING OR  
3 PEST CONTROL SERVICES, BUILDING MAINTENANCE OR CLEANING  
4 SERVICES.

5 (15) THE RENDITION FOR A CONSIDERATION OF EMPLOYMENT AGENCY  
6 SERVICES OR HELP SUPPLY SERVICES.

7 (16) THE RENDITION FOR A CONSIDERATION OF COMPUTER  
8 PROGRAMMING SERVICES; COMPUTER-INTEGRATED SYSTEMS DESIGN  
9 SERVICES; COMPUTER PROCESSING, DATA PREPARATION OR PROCESSING  
10 SERVICES; INFORMATION RETRIEVAL SERVICES; COMPUTER FACILITIES  
11 MANAGEMENT SERVICES; OR OTHER COMPUTER-RELATED SERVICES. AT A  
12 MINIMUM, SUCH SERVICES SHALL NOT INCLUDE SERVICES THAT ARE PART  
13 OF ELECTRONIC FUND TRANSFERS, ELECTRONIC FINANCIAL TRANSACTIONS  
14 OR SERVICES, BANKING OR TRUST SERVICES, OR MANAGEMENT OR  
15 ADMINISTRATIVE SERVICES, INCLUDING TRANSFER AGENCY, SHAREHOLDER,  
16 CUSTODIAL AND PORTFOLIO ACCOUNTING SERVICES, PROVIDED DIRECTLY  
17 TO ANY ENTITY THAT DULY QUALIFIES TO BE TAXED AS A REGULATED  
18 INVESTMENT COMPANY OR A REAL ESTATE INVESTMENT TRUST UNDER THE  
19 PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-  
20 514, 26 U.S.C. § 1 ET SEQ.) OR TO AN ENTITY THAT PROVIDES SUCH  
21 SERVICES TO AN ENTITY SO QUALIFYING.

22 [(17) THE RENDITION FOR A CONSIDERATION OF LAWN CARE  
23 SERVICE.]

24 (18) THE RENDITION FOR A CONSIDERATION OF SELF-STORAGE  
25 SERVICE.

26 \* \* \*

27 (O) "USE."

28 (1) THE EXERCISE OF ANY RIGHT OR POWER INCIDENTAL TO THE  
29 OWNERSHIP, CUSTODY OR POSSESSION OF TANGIBLE PERSONAL PROPERTY  
30 AND SHALL INCLUDE, BUT NOT BE LIMITED TO TRANSPORTATION, STORAGE

1 OR CONSUMPTION.

2 (2) THE OBTAINING BY A PURCHASER OF THE SERVICE OF PRINTING  
3 OR IMPRINTING OF TANGIBLE PERSONAL PROPERTY WHEN SUCH PURCHASER  
4 FURNISHES, EITHER DIRECTLY OR INDIRECTLY, THE ARTICLES USED IN  
5 THE PRINTING OR IMPRINTING.

6 (3) THE OBTAINING BY A PURCHASER OF THE SERVICES OF (I)  
7 WASHING, CLEANING, WAXING, POLISHING OR LUBRICATING OF MOTOR  
8 VEHICLES WHETHER OR NOT ANY TANGIBLE PERSONAL PROPERTY IS  
9 TRANSFERRED TO THE PURCHASER IN CONJUNCTION WITH SUCH SERVICES,  
10 AND (II) INSPECTING MOTOR VEHICLES PURSUANT TO THE MANDATORY  
11 REQUIREMENTS OF "THE VEHICLE CODE."

12 (4) THE OBTAINING BY A PURCHASER OF THE SERVICE OF  
13 REPAIRING, ALTERING, MENDING, PRESSING, FITTING, DYEING,  
14 LAUNDERING, DRYCLEANING OR CLEANING TANGIBLE PERSONAL PROPERTY  
15 OTHER THAN WEARING APPAREL OR SHOES OR APPLYING OR INSTALLING  
16 TANGIBLE PERSONAL PROPERTY AS A REPAIR OR REPLACEMENT PART OF  
17 OTHER TANGIBLE PERSONAL PROPERTY OTHER THAN WEARING APPAREL OR  
18 SHOES, WHETHER OR NOT THE SERVICES ARE PERFORMED DIRECTLY OR BY  
19 ANY MEANS OTHER THAN BY MEANS OF COIN-OPERATED SELF-SERVICE  
20 LAUNDRY EQUIPMENT FOR WEARING APPAREL OR HOUSEHOLD GOODS, AND  
21 WHETHER OR NOT ANY TANGIBLE PERSONAL PROPERTY IS TRANSFERRED TO  
22 THE PURCHASER IN CONJUNCTION THEREWITH, EXCEPT SUCH SERVICES AS  
23 ARE OBTAINED IN THE CONSTRUCTION, RECONSTRUCTION, REMODELING,  
24 REPAIR OR MAINTENANCE OF REAL ESTATE: PROVIDED, HOWEVER, THAT  
25 THIS SUBCLAUSE SHALL NOT BE DEEMED TO IMPOSE TAX UPON SUCH  
26 SERVICES IN THE PREPARATION FOR SALE OF NEW ITEMS WHICH ARE  
27 EXCLUDED FROM THE TAX UNDER CLAUSE (26) OF SECTION 204, OR UPON  
28 DIAPER SERVICE: AND PROVIDED FURTHER, THAT THE TERM "USE" SHALL  
29 NOT INCLUDE--

30 (A) ANY TANGIBLE PERSONAL PROPERTY ACQUIRED AND KEPT,

1 RETAINED OR OVER WHICH POWER IS EXERCISED WITHIN THIS  
2 COMMONWEALTH ON WHICH THE TAXING OF THE STORAGE, USE OR OTHER  
3 CONSUMPTION THEREOF IS EXPRESSLY PROHIBITED BY THE CONSTITUTION  
4 OF THE UNITED STATES OR WHICH IS EXCLUDED FROM TAX UNDER OTHER  
5 PROVISIONS OF THIS ARTICLE.

6 (B) THE USE OR CONSUMPTION OF TANGIBLE PERSONAL PROPERTY,  
7 INCLUDING BUT NOT LIMITED TO MACHINERY AND EQUIPMENT AND PARTS  
8 THEREFOR, AND SUPPLIES OR THE OBTAINING OF THE SERVICES  
9 DESCRIBED IN SUBCLAUSES (2), (3) AND (4) OF THIS CLAUSE DIRECTLY  
10 IN THE OPERATIONS OF--

11 (I) THE MANUFACTURE OF TANGIBLE PERSONAL PROPERTY;

12 (II) FARMING, DAIRYING, AGRICULTURE, HORTICULTURE OR  
13 FLORICULTURE WHEN ENGAGED IN AS A BUSINESS ENTERPRISE. THE TERM  
14 "FARMING" SHALL INCLUDE THE PROPAGATION AND RAISING OF RANCH-  
15 RAISED FURBEARING ANIMALS AND THE PROPAGATION OF GAME BIRDS FOR  
16 COMMERCIAL PURPOSES BY HOLDERS OF PROPAGATION PERMITS ISSUED  
17 UNDER 34 PA.C.S. (RELATING TO GAME);

18 (III) THE PRODUCING, DELIVERING OR RENDERING OF A PUBLIC  
19 UTILITY SERVICE, OR IN CONSTRUCTING, RECONSTRUCTING, REMODELING,  
20 REPAIRING OR MAINTAINING THE FACILITIES WHICH ARE DIRECTLY USED  
21 IN PRODUCING, DELIVERING OR RENDERING SUCH SERVICE;

22 (IV) PROCESSING AS DEFINED IN SUBCLAUSE (D) OF THIS SECTION.

23 THE EXCLUSIONS PROVIDED IN SUBPARAGRAPHS (I), (II), (III) AND  
24 (IV) SHALL NOT APPLY TO ANY VEHICLE REQUIRED TO BE REGISTERED  
25 UNDER THE VEHICLE CODE EXCEPT THOSE VEHICLES DIRECTLY USED BY A  
26 PUBLIC UTILITY ENGAGED IN THE BUSINESS AS A COMMON CARRIER; TO  
27 MAINTENANCE FACILITIES; OR TO MATERIALS, SUPPLIES OR EQUIPMENT  
28 TO BE USED OR CONSUMED IN THE CONSTRUCTION, RECONSTRUCTION,  
29 REMODELING, REPAIR OR MAINTENANCE OF REAL ESTATE OTHER THAN  
30 DIRECTLY USED MACHINERY, EQUIPMENT, PARTS OR FOUNDATIONS

1 THEREFOR THAT MAY BE AFFIXED TO SUCH REAL ESTATE. THE EXCLUSIONS  
2 PROVIDED IN SUBPARAGRAPHS (I), (II), (III) AND (IV) SHALL NOT  
3 APPLY TO TANGIBLE PERSONAL PROPERTY OR SERVICES TO BE USED OR  
4 CONSUMED IN MANAGERIAL SALES OR OTHER NONOPERATIONAL ACTIVITIES,  
5 NOR TO THE PURCHASE OR USE OF TANGIBLE PERSONAL PROPERTY OR  
6 SERVICES BY ANY PERSON OTHER THAN THE PERSON DIRECTLY USING THE  
7 SAME IN THE OPERATIONS DESCRIBED IN SUBPARAGRAPHS (I), (II),  
8 (III) AND (IV).

9 THE EXCLUSION PROVIDED IN SUBPARAGRAPH (III) SHALL NOT APPLY  
10 TO (A) CONSTRUCTION MATERIALS, SUPPLIES OR EQUIPMENT USED TO  
11 CONSTRUCT, RECONSTRUCT, REMODEL, REPAIR OR MAINTAIN FACILITIES  
12 NOT USED DIRECTLY BY THE PURCHASER IN THE PRODUCTION, DELIVERING  
13 OR RENDITION OF PUBLIC UTILITY SERVICE OR (B) TOOLS AND  
14 EQUIPMENT USED BUT NOT INSTALLED IN THE MAINTENANCE OF  
15 FACILITIES USED DIRECTLY IN THE PRODUCTION, DELIVERING OR  
16 RENDITION OF A PUBLIC UTILITY SERVICE.

17 THE EXCLUSION PROVIDED IN SUBPARAGRAPHS (I), (II), (III) AND  
18 (IV) SHALL NOT APPLY TO THE SERVICES ENUMERATED IN CLAUSES  
19 (O)(9) THROUGH (14) AND (16) AND (W) THROUGH (II) AND (KK),  
20 EXCEPT THAT THE EXCLUSION PROVIDED IN SUBPARAGRAPH (II) FOR  
21 FARMING, DAIRYING AND AGRICULTURE SHALL APPLY TO THE SERVICE  
22 ENUMERATED IN CLAUSE (Z).

23 (5) WHERE TANGIBLE PERSONAL PROPERTY OR SERVICES ARE  
24 UTILIZED FOR PURPOSES CONSTITUTING A "USE," AS HEREIN DEFINED,  
25 AND FOR PURPOSES EXCLUDED FROM THE DEFINITION OF "USE," IT SHALL  
26 BE PRESUMED THAT SUCH PROPERTY OR SERVICES ARE UTILIZED FOR  
27 PURPOSES CONSTITUTING A "SALE AT RETAIL" AND SUBJECT TO TAX  
28 UNLESS THE USER THEREOF PROVES TO THE DEPARTMENT THAT THE  
29 PREDOMINANT PURPOSES FOR WHICH SUCH PROPERTY OR SERVICES ARE  
30 UTILIZED DO NOT CONSTITUTE A "SALE AT RETAIL."

1       (6) THE TERM "USE" WITH RESPECT TO "LIQUOR" AND "MALT OR  
2 BREWED BEVERAGES" SHALL INCLUDE THE PURCHASE OF "LIQUOR" FROM  
3 ANY "PENNSYLVANIA LIQUOR STORE" BY ANY PERSON FOR ANY PURPOSE  
4 AND THE PURCHASE OF "MALT OR BREWED BEVERAGES" FROM A  
5 "MANUFACTURER OF MALT OR BREWED BEVERAGES," "DISTRIBUTOR" OR  
6 "IMPORTING DISTRIBUTOR" BY ANY PERSON FOR ANY PURPOSE, EXCEPT  
7 PURCHASES FROM A "MANUFACTURER OF MALT OR BREWED BEVERAGES" BY A  
8 "DISTRIBUTOR" OR "IMPORTING DISTRIBUTOR," OR PURCHASES FROM AN  
9 "IMPORTING DISTRIBUTOR" BY A "DISTRIBUTOR" WITHIN THE MEANING OF  
10 THE "LIQUOR CODE." THE TERM "USE" SHALL NOT INCLUDE ANY PURCHASE  
11 OF "MALT OR BREWED BEVERAGES" FROM A "RETAIL DISPENSER" OR ANY  
12 PURCHASE OF "LIQUOR" OR "MALT OR BREWED BEVERAGES" FROM A PERSON  
13 HOLDING A "RETAIL LIQUOR LICENSE" WITHIN THE MEANING OF AND  
14 PURSUANT TO THE PROVISIONS OF THE "LIQUOR CODE," BUT SHALL  
15 INCLUDE THE EXERCISE OF ANY RIGHT OR POWER INCIDENTAL TO THE  
16 OWNERSHIP, CUSTODY OR POSSESSION OF "LIQUOR" OR "MALT OR BREWED  
17 BEVERAGES" OBTAINED BY THE PERSON EXERCISING SUCH RIGHT OR POWER  
18 IN ANY MANNER OTHER THAN PURSUANT TO THE PROVISIONS OF THE  
19 "LIQUOR CODE."

20       (7) THE USE OF TANGIBLE PERSONAL PROPERTY PURCHASED AT  
21 RETAIL UPON WHICH THE SERVICES DESCRIBED IN SUBCLAUSES (2), (3)  
22 AND (4) OF THIS CLAUSE HAVE BEEN PERFORMED SHALL BE DEEMED TO BE  
23 A USE OF SAID SERVICES BY THE PERSON USING SAID PROPERTY.

24       (8) THE TERM "USE" SHALL NOT INCLUDE THE PROVIDING OF A  
25 MOTOR VEHICLE TO A NONPROFIT PRIVATE OR PUBLIC SCHOOL TO BE USED  
26 BY SUCH A SCHOOL FOR THE SOLE PURPOSE OF DRIVER EDUCATION.

27       (9) THE OBTAINING BY THE PURCHASER OF LOBBYING SERVICES.

28       (10) THE OBTAINING BY THE PURCHASER OF ADJUSTMENT SERVICES,  
29 COLLECTION SERVICES OR CREDIT REPORTING SERVICES.

30       (11) THE OBTAINING BY THE PURCHASER OF SECRETARIAL OR

1 EDITING SERVICES.

2 (12) THE OBTAINING BY THE PURCHASER OF DISINFECTING OR PEST  
3 CONTROL SERVICES, BUILDING MAINTENANCE OR CLEANING SERVICES.

4 (13) THE OBTAINING BY THE PURCHASER OF EMPLOYMENT AGENCY  
5 SERVICES OR HELP SUPPLY SERVICES.

6 (14) THE OBTAINING BY THE PURCHASER OF COMPUTER PROGRAMMING  
7 SERVICES; COMPUTER-INTEGRATED SYSTEMS DESIGN SERVICES; COMPUTER  
8 PROCESSING, DATA PREPARATION OR PROCESSING SERVICES; INFORMATION  
9 RETRIEVAL SERVICES; COMPUTER FACILITIES MANAGEMENT SERVICES; OR  
10 OTHER COMPUTER-RELATED SERVICES. AT A MINIMUM, SUCH SERVICES  
11 SHALL NOT INCLUDE SERVICES THAT ARE PART OF ELECTRONIC FUND  
12 TRANSFERS, ELECTRONIC FINANCIAL TRANSACTIONS OR SERVICES,  
13 BANKING OR TRUST SERVICES, OR MANAGEMENT OR ADMINISTRATIVE  
14 SERVICES, INCLUDING TRANSFER AGENCY, SHAREHOLDER, CUSTODIAL AND  
15 PORTFOLIO ACCOUNTING SERVICES, PROVIDED DIRECTLY TO ANY ENTITY  
16 THAT DULY QUALIFIES TO BE TAXED AS A REGULATED INVESTMENT  
17 COMPANY OR A REAL ESTATE INVESTMENT TRUST UNDER THE PROVISIONS  
18 OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26  
19 U.S.C. § 1 ET SEQ.) OR TO AN ENTITY THAT PROVIDES SUCH SERVICES  
20 TO AN ENTITY SO QUALIFYING.

21 [(15) THE OBTAINING BY THE PURCHASER OF LAWN CARE SERVICE.]

22 (16) THE OBTAINING BY THE PURCHASER OF SELF-STORAGE SERVICE.

23 \* \* \*

24 [(JJ) "LAWN CARE SERVICE." PROVIDING SERVICES FOR LAWN  
25 UPKEEP, INCLUDING, BUT NOT LIMITED TO, FERTILIZING, LAWN MOWING,  
26 SHRUBBERY TRIMMING OR OTHER LAWN TREATMENT SERVICES.]

27 \* \* \*

28 SECTION 2. SECTION 301 INTRODUCTORY PARAGRAPH AND (S.2) OF  
29 THE ACT, AMENDED OR ADDED AUGUST 31, 1971 (P.L.362, NO.93) AND  
30 DECEMBER 23, 1983 (P.L.370, NO.90), ARE AMENDED TO READ:

SECTION 301. DEFINITIONS.--THE FOLLOWING WORDS, TERMS AND PHRASES WHEN USED IN THIS ARTICLE SHALL HAVE THE MEANING ASCRIBED TO THEM IN THIS SECTION EXCEPT WHERE THE CONTEXT CLEARLY INDICATES A DIFFERENT MEANING. [ANY] UNLESS SPECIFICALLY PROVIDED OTHERWISE, ANY REFERENCE IN THIS ARTICLE TO THE INTERNAL REVENUE CODE SHALL INCLUDE THE INTERNAL REVENUE CODE OF 1954, AS AMENDED TO THE DATE ON WHICH THIS ARTICLE IS EFFECTIVE:

\* \* \*

(S.2) "SMALL CORPORATION" MEANS ANY CORPORATION WHICH HAS A VALID ELECTION IN EFFECT UNDER SUBCHAPTER S OF CHAPTER 1 OF THE [INTERNAL REVENUE CODE OF 1954, AS AMENDED AS OF JANUARY 1, 1983] INTERNAL REVENUE CODE OF 1986, AS AMENDED BY THE ACT OF AUGUST 20, 1996, (PUBLIC LAW 104-188), AND WHICH DOES NOT HAVE PASSIVE INVESTMENT INCOME IN EXCESS OF TWENTY-FIVE PER CENT OF ITS GROSS RECEIPTS. FOR PURPOSES OF THIS CLAUSE, "PASSIVE INVESTMENT INCOME" MEANS GROSS RECEIPTS DERIVED FROM ROYALTIES, RENTS, DIVIDENDS, INTEREST, ANNUITIES AND SALES OR EXCHANGES OF STOCK OR SECURITIES (GROSS RECEIPTS FROM SUCH SALES OR EXCHANGES BEING TAKEN INTO ACCOUNT ONLY TO THE EXTENT OF GAINS THEREFROM).

\* \* \*

SECTION 3. SECTION 304(D)(1) OF THE ACT, AMENDED JUNE 16, 1994 (P.L.279, NO.48), IS AMENDED TO READ:

SECTION 304. SPECIAL TAX PROVISIONS FOR POVERTY.--\* \* \*

(D) ANY CLAIM FOR SPECIAL TAX PROVISIONS HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING:

(1) IF THE POVERTY INCOME OF THE CLAIMANT DURING AN ENTIRE TAXABLE YEAR IS [SIX THOUSAND THREE HUNDRED DOLLARS (\$6,300)] SEVEN THOUSAND THREE HUNDRED DOLLARS (\$7,300) OR LESS, THE CLAIMANT SHALL BE ENTITLED TO A REFUND OR FORGIVENESS OF ANY MONEYS WHICH HAVE BEEN PAID OVER TO (OR WOULD EXCEPT FOR THE

PROVISIONS OF THIS ACT BE PAYABLE TO) THE COMMONWEALTH UNDER THE  
PROVISIONS OF THIS ARTICLE, WITH AN ADDITIONAL INCOME ALLOWANCE  
OF [THREE THOUSAND DOLLARS (\$3,000)] FOUR THOUSAND DOLLARS  
(\$4,000) FOR THE FIRST ADDITIONAL DEPENDENT AND AN ADDITIONAL  
INCOME ALLOWANCE OF [THREE THOUSAND DOLLARS (\$3,000)] FOUR  
THOUSAND DOLLARS (\$4,000) FOR EACH ADDITIONAL DEPENDENT OF THE  
CLAIMANT.

\* \* \*

SECTION 4. ARTICLE III OF THE ACT IS AMENDED BY ADDING A  
PART TO READ:

PART VI-A

CONTRIBUTIONS OF REFUNDS BY CHECKOFF

SECTION 315.1. DEFINITIONS.--THE FOLLOWING WORDS, TERMS AND  
PHRASES, WHEN USED IN THIS PART, SHALL HAVE THE MEANINGS  
ASCRIED TO THEM IN THIS SECTION, EXCEPT WHERE THE CONTEXT  
CLEARLY INDICATES A DIFFERENT MEANING:

"DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

"INDIVIDUAL INCOME TAX." THE TAX IMPOSED UNDER THIS ARTICLE.

SECTION 315.2. CONTRIBUTIONS TO BREAST AND CERVICAL CANCER  
RESEARCH.--(A) THE DEPARTMENT SHALL PROVIDE A SPACE ON THE FACE  
OF THE PENNSYLVANIA INDIVIDUAL INCOME TAX RETURN FORM WHEREBY AN  
INDIVIDUAL MAY VOLUNTARILY DESIGNATE A CONTRIBUTION OF ANY  
AMOUNT DESIRED TO BE UTILIZED FOR BREAST AND CERVICAL CANCER  
RESEARCH IN THE DEPARTMENT OF HEALTH.

(B) THE AMOUNT SO DESIGNATED ON THE INDIVIDUAL INCOME TAX  
RETURN FORM SHALL BE DEDUCTED FROM THE TAX REFUND TO WHICH THE  
INDIVIDUAL IS ENTITLED AND SHALL NOT CONSTITUTE A CHARGE AGAINST  
THE INCOME TAX REVENUES DUE TO THE COMMONWEALTH.

(C) THE DEPARTMENT SHALL DETERMINE ANNUALLY THE TOTAL AMOUNT  
DESIGNATED UNDER THIS SECTION, LESS REASONABLE ADMINISTRATIVE



1 COSTS, AND SHALL REPORT THE AMOUNT TO THE STATE TREASURER, WHO  
2 SHALL TRANSFER THE AMOUNT FROM THE GENERAL FUND TO THE  
3 PENNSYLVANIA CANCER CONTROL, PREVENTION AND RESEARCH ADVISORY  
4 BOARD WITHIN THE DEPARTMENT OF HEALTH.

5 (D) THE DEPARTMENT SHALL PROVIDE ADEQUATE INFORMATION  
6 CONCERNING THE CHECKOFF FOR BREAST AND CERVICAL CANCER RESEARCH  
7 IN ITS INSTRUCTIONS WHICH ACCOMPANY STATE INCOME TAX RETURN  
8 FORMS. THE INFORMATION CONCERNING THE CHECKOFF SHALL INCLUDE THE  
9 LISTING OF AN ADDRESS FURNISHED BY THE DEPARTMENT OF HEALTH, TO  
10 WHICH CONTRIBUTIONS MAY BE SENT BY TAXPAYERS WISHING TO  
11 CONTRIBUTE TO THIS EFFORT, BUT WHO DO NOT RECEIVE REFUNDS.  
12 ADDITIONALLY, THE DEPARTMENT OF HEALTH SHALL BE CHARGED WITH THE  
13 DUTY TO CONDUCT A PUBLIC INFORMATION CAMPAIGN ON THE  
14 AVAILABILITY OF THIS OPPORTUNITY TO PENNSYLVANIA TAXPAYERS.

15 (E) THE DEPARTMENT OF HEALTH SHALL REPORT ANNUALLY TO THE  
16 RESPECTIVE COMMITTEES OF THE SENATE AND THE HOUSE OF  
17 REPRESENTATIVES WHICH HAVE JURISDICTION OVER HEALTH MATTERS ON  
18 THE AMOUNT RECEIVED VIA THE CHECKOFF PLAN AND HOW THE FUNDS WERE  
19 UTILIZED.

20 (F) THE GENERAL ASSEMBLY MAY, FROM TIME TO TIME, APPROPRIATE  
21 FUNDS FOR BREAST AND CERVICAL CANCER RESEARCH WITHIN THE  
22 DEPARTMENT OF HEALTH.

23 SECTION 315.3. CONTRIBUTIONS FOR WILD RESOURCE  
24 CONSERVATION.--(A) THE DEPARTMENT SHALL PROVIDE A SPACE ON THE  
25 FACE OF THE PENNSYLVANIA INDIVIDUAL INCOME TAX RETURN FORM  
26 WHEREBY AN INDIVIDUAL MAY VOLUNTARILY DESIGNATE A CONTRIBUTION  
27 OF ANY AMOUNT DESIRED, TO THE WILD RESOURCE CONSERVATION FUND  
28 ESTABLISHED UNDER SECTION 5 OF THE ACT OF JUNE 23, 1982  
29 (P.L.597, NO.170), KNOWN AS THE "WILD RESOURCE CONSERVATION  
30 ACT."

1       (B) THE AMOUNT SO DESIGNATED BY AN INDIVIDUAL ON THE INCOME  
2 TAX RETURN FORM SHALL BE DEDUCTED FROM THE TAX REFUND TO WHICH  
3 SUCH INDIVIDUAL IS ENTITLED AND SHALL NOT CONSTITUTE A CHARGE  
4 AGAINST THE INCOME TAX REVENUES DUE THE COMMONWEALTH.

5       (C) THE DEPARTMENT SHALL DETERMINE ANNUALLY THE TOTAL AMOUNT  
6 DESIGNATED PURSUANT TO THIS SECTION AND SHALL REPORT SUCH AMOUNT  
7 TO THE STATE TREASURER, WHO SHALL TRANSFER SUCH AMOUNT FROM THE  
8 GENERAL FUND TO THE WILD RESOURCE CONSERVATION FUND FOR USE AS  
9 PROVIDED IN THE "WILD RESOURCE CONSERVATION ACT." THE DEPARTMENT  
10 SHALL BE REIMBURSED FROM THE FUND FOR ANY ADMINISTRATIVE COSTS  
11 INCURRED ABOVE AND BEYOND THE COST SAVINGS IT REALIZES AS A  
12 RESULT OF INDIVIDUAL TOTAL REFUND DESIGNATIONS.

13       (D) THE DEPARTMENT SHALL PROVIDE ADEQUATE INFORMATION  
14 CONCERNING THE WILD RESOURCE CONSERVATION FUND IN ITS  
15 INSTRUCTIONS WHICH ACCOMPANY STATE INCOME TAX RETURN FORMS,  
16 WHICH SHALL INCLUDE THE LISTING OF AN ADDRESS, FURNISHED TO IT  
17 BY THE WILD RESOURCE CONSERVATION BOARD, TO WHICH CONTRIBUTIONS  
18 MAY BE SENT BY THOSE TAXPAYERS WISHING TO CONTRIBUTE TO SAID  
19 FUND BUT WHO DO NOT RECEIVE REFUNDS.

20       (E) THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING ON  
21 OR AFTER JANUARY 1, 1997.

22       SECTION 315.4. CONTRIBUTIONS FOR ORGAN DONATION AWARENESS.--

23       (A) THE DEPARTMENT SHALL PROVIDE A SPACE ON THE FACE OF THE  
24 PENNSYLVANIA INDIVIDUAL INCOME TAX RETURN FORM FOR THE 1997 TAX  
25 YEAR AND THE 2000 TAX YEAR WHEREBY AN INDIVIDUAL MAY VOLUNTARILY  
26 DESIGNATE A CONTRIBUTION OF ANY AMOUNT DESIRED TO THE ORGAN  
27 DONATION AWARENESS TRUST FUND ESTABLISHED UNDER 20 PA.C.S. §  
28 8622 (RELATING TO ORGAN DONATION AWARENESS TRUST FUND).

29       (B) THE AMOUNT SO DESIGNATED BY AN INDIVIDUAL ON THE  
30 PENNSYLVANIA INDIVIDUAL INCOME TAX RETURN FORM SHALL BE DEDUCTED

1 FROM THE TAX REFUND TO WHICH THE INDIVIDUAL IS ENTITLED AND  
2 SHALL NOT CONSTITUTE A CHARGE AGAINST THE INCOME TAX REVENUES  
3 DUE THE COMMONWEALTH.

4 (C) THE DEPARTMENT SHALL ANNUALLY DETERMINE THE TOTAL AMOUNT  
5 DESIGNATED PURSUANT TO THIS SECTION AND SHALL REPORT THAT AMOUNT  
6 TO THE STATE TREASURER WHO SHALL TRANSFER THAT AMOUNT TO THE  
7 ORGAN DONATION AWARENESS TRUST FUND.

8 (D) THE DEPARTMENT SHALL, IN ALL TAXABLE YEARS FOLLOWING THE  
9 EFFECTIVE DATE OF THIS SECTION, PROVIDE ON ITS FORMS OR IN ITS  
10 INSTRUCTIONS WHICH ACCOMPANY PENNSYLVANIA INDIVIDUAL INCOME TAX  
11 RETURN FORMS ADEQUATE INFORMATION CONCERNING THE ORGAN DONATION  
12 AWARENESS TRUST FUND WHICH SHALL INCLUDE THE LISTING OF AN  
13 ADDRESS, FURNISHED TO IT BY THE ORGAN DONATION ADVISORY  
14 COMMITTEE, TO WHICH CONTRIBUTIONS MAY BE SENT BY THOSE TAXPAYERS  
15 WISHING TO CONTRIBUTE TO THE FUND BUT WHO DO NOT RECEIVE  
16 REFUNDS.

17 (E) THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING ON  
18 OR AFTER JANUARY 1, 1997.

19 SECTION 315.5. CONTRIBUTIONS FOR OLYMPICS.--(A) THE  
20 DEPARTMENT SHALL PROVIDE A SPACE ON THE FACE OF THE PENNSYLVANIA  
21 INDIVIDUAL INCOME TAX RETURN FORM WHEREBY AN INDIVIDUAL MAY  
22 VOLUNTARILY DESIGNATE A CONTRIBUTION OF ANY AMOUNT DESIRED TO  
23 THE UNITED STATES OLYMPIC COMMITTEE, PENNSYLVANIA DIVISION.

24 (B) THE AMOUNT SO DESIGNATED BY AN INDIVIDUAL ON THE INCOME  
25 TAX RETURN FORM SHALL BE DEDUCTED FROM THE TAX REFUND TO WHICH  
26 SUCH INDIVIDUAL IS ENTITLED AND SHALL NOT CONSTITUTE A CHARGE  
27 AGAINST THE INCOME TAX REVENUES DUE THE COMMONWEALTH.

28 (C) THE DEPARTMENT SHALL DETERMINE ANNUALLY THE TOTAL AMOUNT  
29 DESIGNATED PURSUANT TO THIS SECTION, LESS REASONABLE  
30 ADMINISTRATIVE COSTS, AND SHALL REPORT SUCH AMOUNT TO THE STATE

1 TREASURER, WHO SHALL TRANSFER SUCH AMOUNT FROM THE GENERAL FUND  
2 TO THE UNITED STATES OLYMPIC COMMITTEE, PENNSYLVANIA DIVISION.

3 SECTION 315.6. CONTRIBUTIONS TO KOREA/VIETNAM MEMORIAL  
4 NATIONAL EDUCATION CENTER.--(A) FOR TAX YEARS 1997, 1998, 1999  
5 AND 2000, THE DEPARTMENT SHALL PROVIDE A SPACE ON THE FACE OF  
6 THE PENNSYLVANIA INDIVIDUAL INCOME TAX RETURN FORM WHEREBY AN  
7 INDIVIDUAL MAY VOLUNTARILY DESIGNATE A CONTRIBUTION OF ANY  
8 AMOUNT FROM THE INDIVIDUAL'S TAX REFUND TO KVM.

9 (B) THE AMOUNT DESIGNATED BY AN INDIVIDUAL ON THE  
10 PENNSYLVANIA INDIVIDUAL INCOME TAX RETURN FORM SHALL BE DEDUCTED  
11 FROM THE TAX REFUND TO WHICH SUCH INDIVIDUAL IS ENTITLED AND  
12 SHALL NOT CONSTITUTE A CHARGE AGAINST THE INCOME TAX REVENUES  
13 DUE THE COMMONWEALTH.

14 (C) THE DEPARTMENT SHALL DETERMINE ANNUALLY THE TOTAL AMOUNT  
15 DESIGNATED BY INDIVIDUAL TAXPAYERS UNDER THIS SECTION AND SHALL  
16 REPORT THE AMOUNT TO THE STATE TREASURER WHO SHALL PREPARE THE  
17 APPROPRIATE DOCUMENTATION AND TRANSFER THE DESIGNATED AMOUNT  
18 FROM THE GENERAL FUND TO KVM FOR USE AS PROVIDED IN SECTION  
19 2507(B) OF THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS  
20 "THE ADMINISTRATIVE CODE OF 1929."

21 (D) THE DEPARTMENT SHALL PROVIDE ADEQUATE INFORMATION  
22 REGARDING THE CENTER AND ITS PURPOSES IN ITS INSTRUCTIONS FOR  
23 TAX YEARS 1997, 1998, 1999 AND 2000 WHICH ACCOMPANY PENNSYLVANIA  
24 INDIVIDUAL INCOME TAX RETURN FORMS TO INCLUDE THE ADDRESS OF KVM  
25 TO WHICH CONTRIBUTIONS MAY BE SENT BY TAXPAYERS WHO WISH TO MAKE  
26 ADDITIONAL CONTRIBUTIONS TO THE CENTER.

27 (E) THIS SUBSECTION SHALL APPLY SOLELY TO TAXABLE YEARS  
28 1997, 1998, 1999 AND 2000.

29 SECTION 5. SECTION 1101-C OF THE ACT IS AMENDED BY ADDING  
30 DEFINITIONS TO READ:

1 SECTION 1101-C. DEFINITIONS.--THE FOLLOWING WORDS WHEN USED  
2 IN THIS ARTICLE SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN THIS  
3 SECTION:

4 \* \* \*

5 "LIVING TRUST." ANY TRUST, OTHER THAN A BUSINESS TRUST,  
6 INTENDED AS A WILL SUBSTITUTE BY THE SETTLOR WHICH BECOMES  
7 EFFECTIVE DURING THE LIFETIME OF THE SETTLOR, BUT FROM WHICH  
8 TRUST DISTRIBUTIONS CANNOT BE MADE TO ANY BENEFICIARIES OTHER  
9 THAN THE SETTLOR PRIOR TO THE DEATH OF THE SETTLOR.

10 \* \* \*

11 "ORDINARY TRUST." ANY TRUST, OTHER THAN A BUSINESS TRUST OR  
12 A LIVING TRUST, WHICH TAKES EFFECT DURING THE LIFETIME OF THE  
13 SETTLOR AND FOR WHICH THE TRUSTEES OF THE TRUST TAKE TITLE TO  
14 PROPERTY PRIMARILY FOR THE PURPOSE OF PROTECTING, MANAGING OR  
15 CONSERVING IT UNTIL DISTRIBUTION TO THE NAMED BENEFICIARIES OF  
16 THE TRUST. AN ORDINARY TRUST DOES NOT INCLUDE A TRUST THAT HAS  
17 AN OBJECTIVE TO CARRY ON BUSINESS AND DIVIDE GAINS NOR DOES IT  
18 EITHER EXPRESSLY OR IMPLIEDLY HAVE ANY OF THE FOLLOWING  
19 FEATURES: THE TREATMENT OF BENEFICIARIES AS ASSOCIATES, THE  
20 TREATMENT OF THE INTERESTS IN THE TRUST AS PERSONAL PROPERTY,  
21 THE FREE TRANSFERABILITY OF BENEFICIAL INTERESTS IN THE TRUST,  
22 CENTRALIZED MANAGEMENT BY THE TRUSTEE OR THE BENEFICIARIES, OR  
23 CONTINUITY OF LIFE.

24 \* \* \*

25 SECTION 6. SECTION 1102-C.3(8) AND (9) OF THE ACT, ADDED  
26 JULY 2, 1986 (P.L.318, NO.77), ARE AMENDED AND THE SECTION IS  
27 AMENDED BY ADDING CLAUSES TO READ:

28 SECTION 1102-C.3. EXCLUDED TRANSACTIONS.--THE TAX IMPOSED BY  
29 SECTION 1102-C SHALL NOT BE IMPOSED UPON:

30 \* \* \*

1       (8) A TRANSFER FOR NO OR NOMINAL ACTUAL CONSIDERATION TO A  
2 TRUSTEE OF AN ORDINARY TRUST WHERE THE TRANSFER OF THE SAME  
3 PROPERTY WOULD BE EXEMPT IF THE TRANSFER WAS MADE DIRECTLY FROM  
4 THE GRANTOR TO ALL OF THE POSSIBLE BENEFICIARIES THAT ARE  
5 ENTITLED TO RECEIVE THE PROPERTY OR PROCEEDS FROM THE SALE OF  
6 THE PROPERTY UNDER THE TRUST, WHETHER OR NOT SUCH BENEFICIARIES  
7 ARE CONTINGENT OR SPECIFICALLY NAMED. A TRUST CLAUSE WHICH  
8 IDENTIFIES THE CONTINGENT BENEFICIARIES BY REFERENCE TO THE  
9 HEIRS OF THE TRUST SETTLOR AS DETERMINED BY THE LAWS OF THE  
10 INTESTATE SUCCESSION SHALL NOT DISQUALIFY A TRANSFER FROM THE  
11 EXCLUSION PROVIDED BY THIS CLAUSE. NO SUCH EXEMPTION SHALL BE  
12 GRANTED UNLESS THE RECORDER OF DEEDS IS PRESENTED WITH A COPY OF  
13 THE TRUST INSTRUMENT THAT CLEARLY IDENTIFIES THE GRANTOR AND ALL  
14 POSSIBLE BENEFICIARIES.

15       (8.1) A TRANSFER FOR NO OR NOMINAL ACTUAL CONSIDERATION TO A  
16 TRUSTEE OF A LIVING TRUST FROM THE SETTLOR OF THE LIVING TRUST.  
17 NO SUCH EXEMPTION SHALL BE GRANTED UNLESS THE RECORDER OF DEED  
18 IS PRESENTED WITH A COPY OF THE LIVING TRUST INSTRUMENT.

19       (9) A TRANSFER FOR NO OR NOMINAL ACTUAL CONSIDERATION FROM A  
20 TRUSTEE [TO A BENEFICIARY OF AN ORDINARY TRUST.] OF AN ORDINARY  
21 TRUST TO A SPECIFICALLY NAMED BENEFICIARY THAT IS ENTITLED TO  
22 RECEIVE THE PROPERTY UNDER THE RECORDED TRUST INSTRUMENT OR TO A  
23 CONTINGENT BENEFICIARY WHERE THE TRANSFER OF THE SAME PROPERTY  
24 WOULD BE EXEMPT IF THE TRANSFER WAS MADE BY THE GRANTOR OF THE  
25 PROPERTY INTO THE TRUST TO THAT BENEFICIARY. HOWEVER, ANY  
26 TRANSFER OF REAL ESTATE FROM A LIVING TRUST DURING THE SETTLOR'S  
27 LIFETIME SHALL BE CONSIDERED FOR THE PURPOSES OF THIS ARTICLE AS  
28 IF SUCH TRANSFER WERE MADE DIRECTLY FROM THE SETTLOR TO THE  
29 GRANTEE.

30       (9.1) A TRANSFER FOR NO OR NOMINAL ACTUAL CONSIDERATION FROM

1 A TRUSTEE OF A LIVING TRUST AFTER THE DEATH OF THE SETTLOR OF  
2 THE TRUST OR FROM A TRUSTEE OF A TRUST CREATED PURSUANT TO THE  
3 WILL OF A DECEDENT TO A BENEFICIARY TO WHOM THE PROPERTY IS  
4 DEPOSED OR BEQUEATHED.

5 (9.2) A TRANSFER FOR NO OR NOMINAL ACTUAL CONSIDERATION FROM  
6 THE TRUSTEE OF A LIVING TRUST TO THE SETTLOR OF THE LIVING TRUST  
7 IF SUCH PROPERTY WAS ORIGINALLY CONVEYED TO THE TRUSTEE BY THE  
8 SETTLOR.

9 \* \* \*

10 SECTION 7. (A) THE FOLLOWING ACTS AND PARTS OF ACTS ARE  
11 REPEALED:

12 SECTIONS 2506 AND 2507(A) OF THE ACT OF APRIL 9, 1929  
13 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929.

14 SECTION 4 OF THE ACT OF JUNE 23, 1982 (P.L.597, NO.170),  
15 KNOWN AS THE WILD RESOURCE CONSERVATION ACT.

16 20 PA.C.S. § 8618.

17 (B) SECTION 12 OF THE ACT OF JUNE 23, 1982 (P.L.597,  
18 NO.170), KNOWN AS THE WILD RESOURCE CONSERVATION ACT, IS  
19 REPEALED INSOFAR AS IT IS INCONSISTENT WITH THIS ACT.

20 SECTION 8. THIS ACT SHALL APPLY AS FOLLOWS:

21 (1) THE FOLLOWING PROVISIONS SHALL APPLY TO TAXABLE  
22 YEARS BEGINNING ON OR AFTER JANUARY 1, 1997:

23 (I) THE AMENDMENT OF SECTION 301 INTRODUCTORY  
24 PARAGRAPH AND (S.2) OF THE ACT.

25 (II) THE AMENDMENT OF SECTION 304(D)(1) OF THE ACT.

26 (III) THE ADDITION OF PART VI-A OF ARTICLE III OF  
27 THE ACT.

28 (IV) SECTION 7 OF THIS ACT.

29 (2) THE AMENDMENT OF SECTION 201(C) AND (D) OF THE ACT  
30 SHALL APPLY ON AND AFTER JULY 1, 1997.

1           (3) THE AMENDMENT OF SECTIONS 1101-C AND 1102-C.3 OF THE  
2       ACT SHALL APPLY TO ANY DOCUMENT MADE, EXECUTED, DELIVERED,  
3       ACCEPTED OR PRESENTED FOR RECORDING AFTER THE EFFECTIVE DATE  
4       OF THIS ACT.

5       SECTION 9. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.