

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 695 Session of
1997

INTRODUCED BY ITKIN, HUTCHINSON, TRELLO, DeLUCA, GIGLIOTTI,
CORRIGAN, YOUNGBLOOD, BELARDI, WALKO, SHANER, BAKER, GEORGE,
CAPPABIANCA, READSHAW, VAN HORNE, THOMAS, LYNCH, GRUITZA,
L. I. COHEN, BISHOP, STURLA, BEBKO-JONES, SATHER, TRICH,
WAUGH, LEH, VANCE, ROONEY, BATTISTO, MARKOSEK, HESS, STABACK,
STEELMAN, GORDNER, C. WILLIAMS, SAINATO, HERMAN, COWELL,
SURRA, EACHUS, SEYFERT, GEIST, CURRY, BROWNE, ROSS, MELIO,
COY, LAUGHLIN, MIHALICH, COLAFELLA, BROWN AND BOSCOLA,
MARCH 11, 1997

REFERRED TO COMMITTEE ON FINANCE, MARCH 11, 1997

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 an exclusion from sales tax
11 upon certain items by certain institutions whose charitable
12 purpose is construction, reconstruction, remodeling or
13 repairing residential real property.

14 The General Assembly of the Commonwealth of Pennsylvania
15 hereby enacts as follows:

16 Section 1. Section 204(10) of the act of March 4, 1971
17 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended
18 to read:

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

1 * * *

2 (10) The sale at retail to or use by (i) any charitable
3 organization, volunteer firemen's organization or nonprofit
4 educational institution, or (ii) a religious organization for
5 religious purposes of tangible personal property or services:
6 Provided, however, That the exclusion of this clause shall not
7 apply with respect to any tangible personal property or services
8 used in any unrelated trade or business carried on by such
9 organization or institution or with respect to any materials,
10 supplies and equipment used in the construction, reconstruction,
11 remodeling, repairs and maintenance of any real estate, except
12 materials and supplies when purchased by such organizations or
13 institutions for routine maintenance and repairs[.] or
14 materials, supplies and equipment that are purchased by an
15 organization or institution whose charitable purpose is the
16 construction, reconstruction, remodeling, repairing or
17 maintenance of residential real estate if the materials,
18 supplies and equipment are being purchased for that charitable
19 purpose.

20 * * *

21 Section 2. This act shall take effect in 60 days.