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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 859      Session of  
2005

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INTRODUCED BY TURZAI, DeWEESE, ALLEN, ARGALL, ARMSTRONG, BAKER, BELARDI, BENNINGHOFF, BLAUM, BOYD, BROWNE, BUNT, BUXTON, CALTAGIRONE, CAPPELLI, CAWLEY, CIVERA, COSTA, DALLY, DeLUCA, DENLINGER, DERMODY, DiGIROLAMO, EACHUS, ELLIS, FAIRCHILD, FEESE, FICHTER, FORCIER, FRANKEL, GABIG, GANNON, GEIST, GEORGE, GILLESPIE, GODSHALL, GOOD, GOODMAN, HALUSKA, HARHART, HARRIS, HASAY, HENNESSEY, HERMAN, HERSHEY, HESS, HUTCHINSON, KILLION, LaGROTTA, LEH, LESCOVITZ, LEVDANSKY, MANDERINO, MANN, MARKOSEK, MARSICO, McCALL, McGILL, McILHATTAN, McNAUGHTON, R. MILLER, MUNDY, MUSTIO, NAILOR, PAYNE, PETRARCA, PICKETT, PRESTON, RAYMOND, READSHAW, REICHLEY, ROBERTS, ROONEY, RUBLEY, SAINATO, SANTONI, SATHER, SAYLOR, SCAVELLO, SCHRODER, SEMMEL, SHANER, B. SMITH, SOLOBAY, STABACK, STAIRS, STERN, STETLER, R. STEVENSON, STURLA, SURRA, TANGRETTI, E. Z. TAYLOR, TIGUE, WALKO, WATSON, WILT, YOUNGBLOOD AND ADOLPH, MARCH 14, 2005

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SENATOR EARLL, FINANCE, IN SENATE, AS AMENDED, JUNE 15, 2005

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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 alternate imposition of  
11 the use tax.

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

14 Section 1. Section 205(a) of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended

1 August 4, 1991 (P.L.97, No.22), is amended to read:

2 Section 205. Alternate Imposition of Tax; Credits.--(a) If  
3 any person actively and principally engaged in the business of  
4 selling new or used motor vehicles, trailers or semi-trailers,  
5 and registered with the department in the "dealer's class,"  
6 acquires a motor vehicle, trailer or semi-trailer for the  
7 purpose of resale, and prior to such resale, uses the motor  
8 vehicle, trailer or semi-trailer for a taxable use under this  
9 act [during a period not exceeding one year from the date of  
10 acquisition to the date of resale], such person may [within ten  
11 days of the commencement of such use, elect to] pay a tax equal  
12 to six per cent of the fair rental value of the motor vehicle,  
13 trailer or semi-trailer during such use. [Should such motor  
14 vehicle, trailer or semi-trailer be used for a taxable use after  
15 a period of one year, the taxpayer shall be liable for a tax on  
16 the fair market value of such motor vehicle, trailer or semi-  
17 trailer at the time of acquisition, but shall be allowed a  
18 credit equal to the tax paid pursuant to the election provided  
19 for in this section.] This section shall not apply to the use of  
20 a vehicle as a wrecker, parts truck, delivery truck or courtesy  
21 car.

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23 Section 2. This act shall take effect in ~~60~~ 30 days.

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