

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 956 Session of
2005

INTRODUCED BY STETLER, BALDWIN, BARRAR, BOYD, BUXTON,
CALTAGIRONE, CAPPELLI, CAWLEY, CRAHALLA, CURRY, DeLUCA,
FRANKEL, FREEMAN, GEIST, GINGRICH, GOOD, GRUCELA, HARRIS,
KAUFFMAN, KOTIK, LEVDANSKY, MANDERINO, McCALL, McILHATTAN,
MELIO, MUNDY, O'NEILL, PISTELLA, PRESTON, RAMALEY, REED,
SAINATO, SAMUELSON, SANTONI, SAYLOR, B. SMITH, SOLOBAY,
STURLA, SURRA, TANGRETTI, TIGUE, WALKO, WANSACZ, WHEATLEY,
YOUNGBLOOD AND YUDICHAK, MARCH 15, 2005

REFERRED TO COMMITTEE ON FINANCE, MARCH 15, 2005

AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),
2 entitled "An act empowering cities of the second class,
3 cities of the second class A, cities of the third class,
4 boroughs, towns, townships of the first class, townships of
5 the second class, school districts of the second class,
6 school districts of the third class and school districts of
7 the fourth class including independent school districts, to
8 levy, assess, collect or to provide for the levying,
9 assessment and collection of certain taxes subject to maximum
10 limitations for general revenue purposes; authorizing the
11 establishment of bureaus and the appointment and compensation
12 of officers, agencies and employes to assess and collect such
13 taxes; providing for joint collection of certain taxes,
14 prescribing certain definitions and other provisions for
15 taxes levied and assessed upon earned income, providing for
16 annual audits and for collection of delinquent taxes, and
17 permitting and requiring penalties to be imposed and
18 enforced, including penalties for disclosure of confidential
19 information, providing an appeal from the ordinance or
20 resolution levying such taxes to the court of quarter
21 sessions and to the Supreme Court and Superior Court,"
22 further providing for payment of the emergency and municipal
23 services tax.

24 The General Assembly of the Commonwealth of Pennsylvania
25 hereby enacts as follows:

1 Section 1. Section 2(9) of the act of December 31, 1965
2 (P.L.1257, No.511), known as The Local Tax Enabling Act, amended
3 December 1, 2004 (P.L.1729, No.222), is amended to read:

4 Section 2. Delegation of Taxing Powers and Restrictions

5 Thereon.--The duly constituted authorities of the following
6 political subdivisions, cities of the second class, cities of
7 the second class A, cities of the third class, boroughs, towns,
8 townships of the first class, townships of the second class,
9 school districts of the second class, school districts of the
10 third class, and school districts of the fourth class, in all
11 cases including independent school districts, may, in their
12 discretion, by ordinance or resolution, for general revenue
13 purposes, levy, assess and collect or provide for the levying,
14 assessment and collection of such taxes as they shall determine
15 on persons, transactions, occupations, privileges, subjects and
16 personal property within the limits of such political
17 subdivisions, and upon the transfer of real property, or of any
18 interest in real property, situate within the political
19 subdivision levying and assessing the tax, regardless of where
20 the instruments making the transfers are made, executed or
21 delivered or where the actual settlements on such transfer take
22 place. The taxing authority may provide that the transferee
23 shall remain liable for any unpaid realty transfer taxes imposed
24 by virtue of this act. Each local taxing authority [may] shall,
25 by ordinance or resolution, exempt any person whose total income
26 from all sources is less than twelve thousand dollars (\$12,000)
27 per annum from the per capita or similar head tax, occupation
28 tax and emergency and municipal services tax, or earned income
29 tax, or any portion thereof, and may adopt regulations for the
30 processing of claims for exemptions. Such local authorities

1 shall not have authority by virtue of this act:

2 * * *

3 (9) To levy, assess or collect any tax on individuals for
4 the privilege of engaging in an occupation (emergency and
5 municipal services tax) except that such a tax may be levied,
6 assessed and collected only by the political subdivision of the
7 taxpayer's place of employment.

8 Payment of any emergency and municipal services tax to any
9 political subdivision by any person pursuant to an ordinance or
10 resolution passed or adopted under the authority of this act
11 shall be no less than ten dollars (\$10) nor more than fifty-two
12 dollars (\$52) on each person for each calendar year.

13 The political subdivision shall authorize payment of the
14 emergency and municipal services tax on a quarterly basis.

15 Any person who pays the emergency and municipal services tax
16 to a political subdivision, other than a school district, and
17 who is also a resident of that political subdivision may deduct
18 the amount of the emergency and municipal services tax paid from
19 any property tax owed to that political subdivision, other than
20 a school district.

21 The situs of such tax shall be the place of employment, but,
22 in the event a person is engaged in more than one occupation, or
23 an occupation which requires his working in more than one
24 political subdivision during the calendar year, the priority of
25 claim to collect such emergency and municipal services tax shall
26 be in the following order: first, the political subdivision in
27 which a person maintains his principal office or is principally
28 employed; second, the political subdivision in which the person
29 resides and works, if such a tax is levied by that political
30 subdivision; third, the political subdivision in which a person

1 is employed and which imposes the tax nearest in miles to the
2 person's home. The place of employment shall be determined as of
3 the day the taxpayer first becomes subject to the tax during the
4 calendar year.

5 It is the intent of this provision that no person shall pay
6 more than fifty-two dollars (\$52) in any calendar year as an
7 emergency and municipal services tax irrespective of the number
8 of political subdivisions within which such person may be
9 employed within any given calendar year.

10 In case of dispute, a tax receipt of the taxing authority for
11 that calendar year declaring that the taxpayer has made prior
12 payment which constitutes prima facie certification of payment
13 to all other political subdivisions.

14 * * *

15 Section 2. The amendment of section 2(9) of the act shall
16 apply to years beginning after calendar year 2005.

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