

## 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, YUDICHAK, ADOLPH, FABRIZIO, PALLONE, SHANER,  
COSTA AND BROWNE, MARCH 15, 2005

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,  
AS AMENDED, JUNE 7, 2006

## 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 employees 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.~~ DELEGATION OF TAXING POWER. <—

24 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

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

5 ~~Section 2. Delegation of Taxing Powers and Restrictions~~  
6 ~~Thereon. The duly constituted authorities of the following~~  
7 ~~political subdivisions, cities of the second class, cities of~~  
8 ~~the second class A, cities of the third class, boroughs, towns,~~  
9 ~~townships of the first class, townships of the second class,~~  
10 ~~school districts of the second class, school districts of the~~  
11 ~~third class, and school districts of the fourth class, in all~~  
12 ~~cases including independent school districts, may, in their~~  
13 ~~discretion, by ordinance or resolution, for general revenue~~  
14 ~~purposes, levy, assess and collect or provide for the levying,~~  
15 ~~assessment and collection of such taxes as they shall determine~~  
16 ~~on persons, transactions, occupations, privileges, subjects and~~  
17 ~~personal property within the limits of such political~~  
18 ~~subdivisions, and upon the transfer of real property, or of any~~  
19 ~~interest in real property, situate within the political~~  
20 ~~subdivision levying and assessing the tax, regardless of where~~  
21 ~~the instruments making the transfers are made, executed or~~  
22 ~~delivered or where the actual settlements on such transfer take~~  
23 ~~place. The taxing authority may provide that the transferee~~  
24 ~~shall remain liable for any unpaid realty transfer taxes imposed~~  
25 ~~by virtue of this act. Each local taxing authority [may] shall,~~  
26 ~~by ordinance or resolution, exempt any person whose total income~~  
27 ~~from all sources is less than twelve thousand dollars (\$12,000)~~  
28 ~~per annum from the per capita or similar head tax, occupation~~  
29 ~~tax and emergency and municipal services tax, or earned income~~  
30 ~~tax, or any portion thereof, and may adopt regulations for the~~

~~processing of claims for exemptions. Such local authorities shall not have authority by virtue of this act:~~

~~\* \* \*~~

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

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

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

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

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

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

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

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

15 ~~\* \* \*~~

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

18 ~~Section 3. This act shall take effect in 60 days.~~

19 SECTION 1. SECTION 2 OF THE ACT OF DECEMBER 31, 1965  
20 (P.L.1257, NO.511), KNOWN AS THE LOCAL TAX ENABLING ACT, IS  
21 AMENDED BY ADDING A CLAUSE TO READ:

22 SECTION 2. DELEGATION OF TAXING POWERS AND RESTRICTIONS  
23 THEREON.--THE DULY CONSTITUTED AUTHORITIES OF THE FOLLOWING  
24 POLITICAL SUBDIVISIONS, CITIES OF THE SECOND CLASS, CITIES OF  
25 THE SECOND CLASS A, CITIES OF THE THIRD CLASS, BOROUGHES, TOWNS,  
26 TOWNSHIPS OF THE FIRST CLASS, TOWNSHIPS OF THE SECOND CLASS,  
27 SCHOOL DISTRICTS OF THE SECOND CLASS, SCHOOL DISTRICTS OF THE  
28 THIRD CLASS, AND SCHOOL DISTRICTS OF THE FOURTH CLASS, IN ALL  
29 CASES INCLUDING INDEPENDENT SCHOOL DISTRICTS, MAY, IN THEIR  
30 DISCRETION, BY ORDINANCE OR RESOLUTION, FOR GENERAL REVENUE

1 PURPOSES, LEVY, ASSESS AND COLLECT OR PROVIDE FOR THE LEVYING,  
2 ASSESSMENT AND COLLECTION OF SUCH TAXES AS THEY SHALL DETERMINE  
3 ON PERSONS, TRANSACTIONS, OCCUPATIONS, PRIVILEGES, SUBJECTS AND  
4 PERSONAL PROPERTY WITHIN THE LIMITS OF SUCH POLITICAL  
5 SUBDIVISIONS, AND UPON THE TRANSFER OF REAL PROPERTY, OR OF ANY  
6 INTEREST IN REAL PROPERTY, SITUATE WITHIN THE POLITICAL  
7 SUBDIVISION LEVYING AND ASSESSING THE TAX, REGARDLESS OF WHERE  
8 THE INSTRUMENTS MAKING THE TRANSFERS ARE MADE, EXECUTED OR  
9 DELIVERED OR WHERE THE ACTUAL SETTLEMENTS ON SUCH TRANSFER TAKE  
10 PLACE. THE TAXING AUTHORITY MAY PROVIDE THAT THE TRANSFEREE  
11 SHALL REMAIN LIABLE FOR ANY UNPAID REALTY TRANSFER TAXES IMPOSED  
12 BY VIRTUE OF THIS ACT. EACH LOCAL TAXING AUTHORITY MAY, BY  
13 ORDINANCE OR RESOLUTION, EXEMPT ANY PERSON WHOSE TOTAL INCOME  
14 FROM ALL SOURCES IS LESS THAN TWELVE THOUSAND DOLLARS (\$12,000)  
15 PER ANNUM FROM THE PER CAPITA OR SIMILAR HEAD TAX, OCCUPATION  
16 TAX AND EMERGENCY AND MUNICIPAL SERVICES TAX, OR EARNED INCOME  
17 TAX, OR ANY PORTION THEREOF, AND MAY ADOPT REGULATIONS FOR THE  
18 PROCESSING OF CLAIMS FOR EXEMPTIONS. SUCH LOCAL AUTHORITIES  
19 SHALL NOT HAVE AUTHORITY BY VIRTUE OF THIS ACT:

20 \* \* \*

21 (17) TO LEVY, ASSESS OR COLLECT AN AMUSEMENT OR ADMISSIONS  
22 TAX ON THE CHARGE IMPOSED UPON A PATRON FOR THE SALE OF  
23 ADMISSION TO OR FOR THE PRIVILEGE OF ADMISSION TO A FIXED SITE  
24 AMUSEMENT PARK.

25 SECTION 2. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.