

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1981 Session of 2011

INTRODUCED BY SCAVELLO, BOBACK, BOYD, BROOKS, D. COSTA,
CREIGHTON, DALEY, DAVIDSON, DeLUCA, FLECK, GEIST, GEORGE,
GILLEN, GOODMAN, GROVE, HORNAMAN, MILLARD, MILLER, SCHRODER,
TRUITT, WAGNER AND YOUNGBLOOD, NOVEMBER 15, 2011

REFERRED TO COMMITTEE ON FINANCE, NOVEMBER 15, 2011

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 definition of "purchase
11 price"; and abrogating a regulation.

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

14 Section 1. Section 201(g) of the act of March 4, 1971
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended
16 by adding a paragraph to read:

17 Section 201. Definitions.--The following words, terms and
18 phrases when used in this Article II shall have the meaning
19 ascribed to them in this section, except where the context
20 clearly indicates a different meaning:

21 * * *

1 (g) "Purchase price."

2 * * *

3 (1.1) If a retailer accepts a form of discount, a new
4 purchase price shall be established for an item being
5 discounted. For the purpose of this subclause, a discount is
6 defined as:

7 (i) an on-the-spot cash discount;

8 (ii) an employee discount;

9 (iii) a volume discount;

10 (iv) a store discount, such as "buy one, get one free";

11 (v) a wholesaler's or trade discount;

12 (vi) a rebate; or

13 (vii) a store or manufacturer's coupon.

14 Section 2. The regulation of the Department of Revenue under
15 61 Pa. Code § 33.2(b)(2) (relating to scope) is abrogated.

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