

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **958** Session of
2019

INTRODUCED BY MASTRIANO, ARGALL, GORDNER, SCHWANK, J. WARD,
MENSCH AND COLLETT, NOVEMBER 20, 2019

SENATOR MARTIN, LOCAL GOVERNMENT, AS AMENDED, FEBRUARY 5, 2020

AN ACT

1 Amending Title 8 (Boroughs and Incorporated Towns) of the
2 Pennsylvania Consolidated Statutes, in manufacture and supply
3 of electricity, further providing for specific powers.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 24A03(a)(1) of Title 8 of the
7 Pennsylvania Consolidated Statutes is amended to read:
8 § 24A03. Specific powers.

9 (a) Specific powers enumerated.--In addition to exercising
10 its general powers under section 24A02 (relating to general
11 powers), a borough, through its governing body, shall have the
12 following powers:

13 (1) To contract for the purchase, sale, exchange,
14 interchange, wheeling, pooling or transmission of electric
15 power and energy or for the right to the capacity of electric
16 power, inside and outside of this Commonwealth, to and from
17 any public or private power entities, private power
18 companies, other boroughs and electric cooperative

1 corporations. The sale of electric power to a borough for
2 resale shall be exempt from all State taxes. This exemption <--
3 shall apply retroactively to gross receipts taxes paid based
4 upon transactions occurring on or after January 1, 2017. The
5 Department of Revenue shall provide a refund to a taxpayer
6 for gross receipts taxes collected from the taxpayer based
7 upon the sale for resale of electric power to a borough that
8 occurred prior to January 1, 2017. INSIDE THE LIMITS OF THE <--
9 BOROUGH AND THE SALE OF ELECTRIC POWER BY A BOROUGH INSIDE
10 THE LIMITS OF THE BOROUGH SHALL BE EXEMPT FROM THE TAX
11 IMPOSED UNDER SECTION 1101 OF THE ACT OF MARCH 4, 1971
12 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

13 * * *

14 SECTION 2. THE AMENDMENT OF 8 PA.C.S. § 24A03(A)(1) SHALL <--
15 APPLY AS FOLLOWS:

16 (1) TO GROSS RECEIPTS RECEIVED AFTER DECEMBER 31, 2016.

17 (2) TO SALES TO OR BY A MUNICIPAL POWER AGENCY OR ANY
18 BOROUGH OWNED OR OPERATED UTILITY ESTABLISHED ON OR BEFORE
19 THE EFFECTIVE DATE OF THIS SECTION.

20 Section 2 3. This act shall take effect in 60 days. <--