

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2099 Session of
2021

INTRODUCED BY E. NELSON, BURGOS, ORTITAY, RADER, GUZMAN, RYAN,
KAIL, FEE, SANKEY AND FARRY, NOVEMBER 23, 2021

REFERRED TO COMMITTEE ON FINANCE, NOVEMBER 23, 2021

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," in sales and use tax, further providing for
11 definitions and for licenses; in vehicle rental tax, further
12 providing for vehicle rental tax; and, in public
13 transportation assistance fund, further providing for public
14 transportation assistance fund.

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 Section 1. Section 201(n) and (p) of the act of March 4,
18 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are
19 amended, subsection (b)(3.5) is amended by adding a
20 subparagraph, subsections (i), (k) and (o) are amended by adding
21 paragraphs and the section is amended by adding subsections to
22 read:

23 Section 201. Definitions.--The following words, terms and
24 phrases when used in this Article II shall have the meaning

ascribed to them in this section, except where the context clearly indicates a different meaning:

* * *

(b) "Maintaining a place of business in this Commonwealth."

* * *

(3.5) * * *

(iii) For a peer-to-peer car-sharing program marketplace facilitator, this activity includes all sales, leases and deliveries of tangible personal property and all sales of services by the marketplace seller whose sales are facilitated through the peer-to-peer car-sharing program marketplace facilitator forum.

* * *

(i) "Resale."

* * *

(6) The term does not include the purchase price or repair of a shared vehicle by a shared vehicle owner.

* * *

(k) "Sale at retail."

* * *

(20) Car sharing through a shared vehicle owner, peer-to-peer car-sharing marketplace facilitator or rental company.

* * *

(n) "Taxpayer." Any person required to pay or collect the tax imposed by this article, including a marketplace facilitator [and], a marketplace seller, a peer-to-peer car-sharing program marketplace facilitator and a shared vehicle owner.

(o) "Use."

* * *

(19) Car sharing through a shared vehicle owner, peer-to-

1 peer car-sharing marketplace facilitator or rental company.

2 (p) "Vendor." Any person maintaining a place of business in
3 this Commonwealth, selling or leasing tangible personal
4 property, or rendering services, the sale or use of which is
5 subject to the tax imposed by this article, including a
6 marketplace facilitator [and a], marketplace seller, peer-to-
7 peer car-sharing program marketplace facilitator or shared
8 vehicle owner, but not including any employee who in the ordinary
9 scope of employment renders services to his employer in exchange
10 for wages and salaries.

11 * * *

12 (mmm) "Car-sharing program agreement." The terms and
13 conditions that govern the use of a shared vehicle through a
14 peer-to-peer car-sharing program.

15 (nnn) "Peer-to-peer car sharing." The authorized use of a
16 shared vehicle by an individual other than the owner of the
17 vehicle, through a peer-to-peer car-sharing program.

18 (ooo) "Peer-to-peer car-sharing payment." Full
19 consideration paid or delivered, or promised to be paid or
20 delivered, to the peer-to-peer car-sharing marketplace
21 facilitator under a car-sharing program agreement, excluding
22 charges for local sales or use tax, State sales or use tax,
23 vehicle rental tax or public transportation assistance fund
24 fees.

25 (ppp) "Peer-to-peer car-sharing program." A business
26 platform that, through a peer-to-peer car-sharing marketplace,
27 connects shared vehicle owners with drivers to enable the
28 sharing of vehicles for financial consideration.

29 (qqq) "Peer-to-peer car-sharing program marketplace." A
30 forum on which a shared vehicle is listed or advertised for

1 peer-to-peer car sharing.
2 (rrr) "Peer-to-peer car-sharing program marketplace
3 facilitator." A person that facilitates peer-to-peer car
4 sharing through a peer-to-peer car-sharing marketplace and
5 either directly or indirectly, through agreements or
6 arrangements with third parties, collects the peer-to-peer car-
7 sharing payment from the purchaser and transmits the payment to
8 the shared vehicle owner.

9 (sss) "Shared vehicle." A vehicle that is available for
10 sharing, including through a peer-to-peer car-sharing program.

11 (ttt) "Shared vehicle owner." The registered owner, or a
12 person designated by the registered owner, of a vehicle made
13 available for sharing, including through a peer-to-peer car-
14 sharing program.

15 Section 2. Section 208(a) of the act is amended to read:

16 Section 208. Licenses.--(a) Every person maintaining a
17 place of business in this Commonwealth, with the exception of a
18 marketplace seller who makes no sales outside a forum for which
19 a marketplace facilitator is required to collect sales tax on
20 the seller's behalf and a shared vehicle owner who makes no
21 vehicle available for sharing outside a forum for which a peer-
22 to-peer car-sharing program marketplace facilitator is required
23 to collect sales tax on behalf of the shared vehicle owner,
24 selling or leasing services or tangible personal property, the
25 sale or use of which is subject to tax and who has not hitherto
26 obtained a license from the department, shall, prior to the
27 beginning of business thereafter, make application to the
28 department, on a form prescribed by the department, for a
29 license. If such person maintains more than one place of
30 business in this Commonwealth, the license shall be issued for

1 the principal place of business in this Commonwealth.

2 * * *

3 Section 3. Section 1602-A(a) of the act is amended and the
4 section is amended by adding subsections to read:

5 Section 1602-A. Vehicle Rental Tax.--(a) Each vehicle
6 rental company and peer-to-peer car sharing program marketplace
7 facilitator shall collect, at the time the rental vehicle or
8 shared vehicle is rented or shared in this Commonwealth, on each
9 rental contract or car-sharing program agreement for a period of
10 twenty-nine or fewer consecutive days, a tax equal to two per
11 cent of the purchase price of the rental.

12 (b) This section shall not apply to peer-to-peer car-sharing
13 agreements that occur on a peer-to-peer car-sharing program when
14 a shared vehicle owner makes four or fewer shared vehicles
15 available on a peer-to-peer car-sharing program.

16 (c) As used in this section, the following words and phrases
17 shall have the meanings given to them in this subsection unless
18 the context clearly indicates otherwise:

19 "Car-sharing program agreement." As defined in section
20 201(mmm).

21 "Peer-to-peer car-sharing program." As defined in section
22 201(ppp).

23 "Peer-to-peer car-sharing program marketplace facilitator."
24 As defined in section 201(rrr).

25 "Shared vehicle." As defined in section 201(sss).

26 "Shared vehicle owner." As defined in section 201(ttt).

27 Section 4. Section 2301(e) and (e.1) of the act are amended
28 to read:

29 Section 2301. Public Transportation Assistance Fund.--* * *

30 (e) Except as provided in subsection (e.1), there is hereby

1 imposed on each rental of a motor vehicle and shared vehicle
2 subject to tax under Article II a fee of two dollars (\$2) for
3 each day or part of a day for which the vehicle is rented.

4 (e.1) (1) There is hereby imposed on each rental of a motor
5 vehicle subject to tax under Article II and used in carsharing,
6 a peer-to-peer car-sharing program or car sharing by a shared
7 vehicle owner a fee for each day or part of a day computed
8 according to the following schedule:

9	Rental Interval	Fee
10	Less than 2 hours	\$0.25
11	2 to 3 hours	\$0.50
12	More than 3, but less	
13	than 4 hours	\$1.25
14	4 hours or more	\$2.00

15 (2) For purposes of this subsection, the term "carsharing"
16 shall mean a membership-based service that provides an
17 alternative to personal car ownership and which meets the
18 following conditions:

19 (i) Does not require a trip-specific written agreement each
20 time a member rents a vehicle.

21 (ii) Does not require an attendant to be present at the
22 beginning or end of a rental.

23 (iii) Offers members access to a dispersed network of shared
24 vehicles 24 hours per day, 7 days per week, 365 days per year.

25 (iv) Allows a vehicle to be rented on a per minute, per
26 hour, per day, or per trip basis, and at per mile or per
27 kilometer rates, which typically include fuel, insurance and
28 maintenance.

29 (3) For purposes of this subsection:

30 (i) The term "peer-to-peer car-sharing program" shall be as

1 defined in section 201(ppp).

2 (ii) The term "shared vehicle" shall be as defined in
3 section 201(sss).

4 Section 5. This act shall take effect in 60 days.