

**SENATE APPROPRIATIONS COMMITTEE  
FISCAL NOTE**

**BILL NO.** House Bill 732

**PRINTER NO.** 960

**AMOUNT**

Nominal Fiscal Impact

**FUND**

General Fund  
Local Funds

**DATE INTRODUCED**

March 18, 2019

**PRIME SPONSOR**

Representative Quinn

**DESCRIPTION AND PURPOSE OF BILL**

House Bill 732 amends the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, by altering the list of transactions excluded from the realty transfer tax.

Under current law, a transfer of real estate for no or nominal consideration from the Commonwealth or any of its instrumentalities, agencies or political subdivisions to a volunteer emergency medical services agency, volunteer fire company or volunteer rescue company is excluded from realty transfer tax. In addition, a transfer of real estate between two or more volunteer emergency medical services agencies, volunteer fire companies or volunteer rescue companies is an excluded transaction.

House Bill 732 repeals the current law exclusion related to volunteer service organizations and redefines the exclusion such that the following transfer of real estate is exempt from realty transfer tax:

*to or by a volunteer EMS company, volunteer fire company or volunteer rescue company as those terms are defined in 35 Pa.C.S. § 7802 (relating to definitions).*

Current law limits the excluded transactions to transfers of real estate to volunteer service organizations from the Commonwealth and transfers of real estate between two or more volunteer service organizations. The legislation expands the realty transfer tax exclusion to include a transfer of any real estate to or by a volunteer service organization.

The amendment of section 1102-C.3(23) (relating to excluded transactions) shall be retroactive to January 1, 2019. This act shall take effect immediately.

**FISCAL IMPACT:**

House Bill 732 will have a nominal fiscal impact on Commonwealth and local funds. The state-level realty transfer tax is levied at a rate of one percent, and the local real estate transfer tax is levied at a rate of one percent at the local level on the same transfers of real estate.

# **SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE**

The Pennsylvania Department of Revenue (department) issued its position on the legislation in February 2020 when House Bill 732 was reported out of the Senate Finance Committee. The department is "neutral" on the legislation and reported that there is a nominal revenue loss associated with exempting these transactions.