

## 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 \* \* \*

22 (g) "Purchase price."

1 \* \* \*

2 (1.1) If a retailer accepts a form of discount, a new  
3 purchase price shall be established for an item being  
4 discounted. For the purpose of this subclause, a discount is  
5 defined as:

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

7 (ii) an employe discount;

8 (iii) a volume discount;

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

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

11 (vi) a rebate; or

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

13 \* \* \*

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.