

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in taxation for public transportation,
3 further providing for local financial support.

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

6 Section 1. Section 8602 of Title 53 of the Pennsylvania
7 Consolidated Statutes is amended to read:

8 § 8602. Local financial support.

9 (a) Imposition.--

10 (1) Notwithstanding any other provision of law and
11 except as provided for in paragraph (2), a county [of the
12 second class] may, at its discretion, by ordinance or
13 resolution, obtain financial support for transit and
14 transportation systems and transportation infrastructure by
15 imposing one or more of the taxes under subsection (b). Money
16 obtained from the imposition shall be deposited into a
17 restricted account of the county.

18 (2) Only a county of the second class may impose any of

1 the taxes under subsection (b)(1)(i) and (ii).

2 (b) Taxes.--

3 (1) A county [of the second class] may, [by ordinance,]
4 as permitted under subsection (a), impose any of the
5 following taxes:

6 (i) A tax on the sale at retail of liquor and malt
7 and brewed beverages within the county. The ordinance
8 shall be modeled on the act of June 10, 1971 (P.L.153,
9 No.7), known as the First Class School District Liquor
10 Sales Tax Act of 1971, and the rate of tax authorized
11 under this subparagraph may not exceed the rate
12 established under that act.

13 (ii) An excise tax on each renting of a rental
14 vehicle in the county. The rate of tax authorized under
15 this subparagraph may not exceed the rate established
16 under section 2301(e) of the act of March 4, 1971 (P.L.6,
17 No.2), known as the Tax Reform Code of 1971. As used in
18 this subparagraph, the term "rental vehicle" has the
19 meaning given to it in section 1601-A of the Tax Reform
20 Code of 1971.

21 (iii) A tax upon a transfer of real property or an
22 interest in real property within the limits of the
23 county, regardless of where the instruments making the
24 transfers are made, executed or delivered or where the
25 actual settlements on the transfer take place, to the
26 extent that the transactions are subject to the tax
27 imposed by Article XI-C of the Tax Reform Code of 1971. A
28 tax imposed under this subparagraph shall not exceed 0.5%
29 of rate limitations provided by sections 307, 311 and 320
30 of the act of December 31, 1965 (P.L.1257, No.511), known

1 as The Local Tax Enabling Act.

2 (iv) In addition to the tax imposed under Article
3 III of the Tax Reform Code of 1971, a surtax not to
4 exceed 0.2% of the tax imposed on the taxable income of
5 resident and nonresident individuals as provided for
6 under Article III of the Tax Reform Code of 1971.

7 (v) In addition to the tax imposed under Article II
8 of the Tax Reform Code of 1971, a surtax equal to 0.25%
9 imposed on the purchase price of tangible personal
10 property and services subject to taxation under Article
11 II of the Tax Reform Code of 1971.

12 (2) (Reserved).

13 (b.1) Computation of sales and use tax.--Within 30 days of
14 the notification of a county of the adoption of a tax under
15 subsection (b)(1)(v), the department shall establish a combined
16 schedule for the computation of the State sales and use tax and
17 the State sales and use surtax as established under subsection
18 (b)(1)(v). The following apply:

19 (1) The department shall collect the surtax and remit
20 the surtax proceeds quarterly to the appropriate taxing
21 authority.

22 (2) The department shall transmit the schedule providing
23 for the combined computation of the State sales and use tax
24 and the State sales and use surtax to the Legislative
25 Reference Bureau for publication in the next succeeding
26 publication of the Pennsylvania Bulletin.

27 (b.2) Administration.--

28 (1) The taxes authorized under subsection (b)(1)(iii)
29 and (iv) shall be administered, collected and enforced under
30 The Local Tax Enabling Act.

1 (2) The tax authorized under subsection (b)(1)(v) shall
2 be administered, collected and enforced under the Tax Reform
3 Code of 1971.

4 (3) In administering this subsection, the department may
5 promulgate and enforce regulations not inconsistent with the
6 provisions of this section.

7 (4) To cover the costs of administration, the department
8 may retain a sum equal to the costs of administration.

9 (b.3) Construction.--Except as otherwise inconsistent with
10 this section, the provisions of Articles II, III and XI-C of the
11 Tax Reform Code of 1971 shall apply to the taxes imposed under
12 subsection (b).

13 (b.4) Grants by counties.--

14 (1) A county may make annual grants from current
15 revenues or from revenue derived from taxes levied by the
16 county under this section to local transportation
17 organizations to assist in defraying the costs of operations,
18 maintenance and debt service of a local transportation
19 organization or of a particular mass transportation project
20 of a local transportation organization and to enter into
21 long-term agreements providing for the payment of the costs.

22 (2) The obligation of a county under an agreement under
23 paragraph (1) shall not be considered to be a part of the
24 county's indebtedness, nor shall the obligation be deemed to
25 impair the status of any indebtedness of the county which
26 would otherwise be considered as self-sustaining.

27 (3) Nothing in this subsection shall be construed to
28 preclude two or more counties from entering into an agreement
29 to jointly make grants from current revenues or from revenue
30 derived from taxes levied by a county under this section to a

1 local transportation organization or to a particular mass
2 transportation project of a local transportation organization
3 or to jointly enter into long-term agreements for providing
4 these types of payments.

5 (4) A county may make use of the money from current
6 revenues or from revenue derived from taxes levied by the
7 county under this section for Commonwealth, county or
8 municipal transportation infrastructure purposes described
9 under 75 Pa.C.S. § 9010(b)(2)(i) (relating to disposition and
10 use of tax). These funds may supplement or match funds
11 provided by the Motor License Fund, the Multimodal
12 Transportation Fund or the Liquid Fuels Tax Fund.

13 (b.5) Regulations.--The department may promulgate
14 regulations, including temporary regulations, as may be
15 necessary and appropriate to administer the provisions of this
16 section. The following apply:

17 (1) The department shall transmit any temporary
18 regulations to the Legislative Reference Bureau for
19 publication in the Pennsylvania Bulletin.

20 (2) Notwithstanding any other provision of law,
21 regulations promulgated by the department during the two
22 years following the effective date of this paragraph shall be
23 deemed temporary regulations that expire no later than three
24 years following the effective date of this paragraph or upon
25 promulgation of final regulations, whichever occurs first.

26 (3) Temporary regulations under this subsection shall be
27 exempt from the following:

28 (i) Section 612 of the act of April 9, 1929
29 (P.L.177, No.175), known as The Administrative Code of
30 1929.

1 (ii) Sections 201, 202, 203, 204 and 205 of the act
2 of July 31, 1968 (P.L.769, No.240), referred to as the
3 Commonwealth Documents Law.

4 (iii) Sections 204(b) and 301(10) of the act of
5 October 15, 1980 (P.L.950, No.164), known as the
6 Commonwealth Attorneys Act.

7 (iv) The act of June 25, 1982 (P.L.633, No.181),
8 known as the Regulatory Review Act.

9 (c) [Definition.--For purposes of this section, the term
10 "county of the second class" shall not include a county of the
11 second class A.] Definitions.--As used in this section, the
12 following words and phrases shall have the meanings given to
13 them in this subsection unless the context clearly indicates
14 otherwise:

15 "County." Any of the following:

16 (1) A county of the first class.

17 (2) A county of the second class.

18 (3) A county of the second class A.

19 (4) A county of the third class with a population of at
20 least 525,000 but less than 540,000, based on the 2020
21 Federal decennial census.

22 "Department." The Department of Revenue of the Commonwealth.

23 Section 2. This act shall take effect in 120 days.