

COMMUNITY AND ECONOMIC IMPROVEMENT ACT - PHILADELPHIA HOSPITALITY  
PROMOTION TAX AND APPORTIONMENT OF REVENUE

Act of Jul. 11, 2008, P.L. 1023, No. 80

Cl. 53

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No. 2008-80

HB 2167

AN ACT

Amending the act of December 21, 1998 (P.L.1307, No.174),  
entitled "An act relating to cities of the first class,  
establishing Neighborhood Improvement Districts; conferring  
powers and duties on municipal corporations and Neighborhood  
Improvement Districts; and providing for annual audits and  
for tourism and marketing," authorizing the Philadelphia  
hospitality promotion tax; providing for apportionment of  
revenue; and making editorial changes.

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

Section 1. Section 3 of the act of December 21, 1998  
(P.L.1307, No.174), known as the Community and Economic  
Improvement Act, is amended by adding a definition to read:

Section 3. Definitions.

The following words and phrases when used in this act shall  
have the meanings given to them in this section unless the  
context clearly indicates otherwise:

\* \* \*

**"Tourist promotion agency." An agency designated by the  
council of the city in which the Pennsylvania Convention Center  
is located to be eligible for grants from the Department of  
Commerce pursuant to the former act of April 28, 1961 (P.L.111,  
No.50), known as the Tourist Promotion Law.**

Section 2. Sections 10 and 11 of the act are amended to  
read:

Section 10. Tourism and marketing tax.

In addition to the hotel room rental tax imposed under  
[section 23 of the act of June 27, 1986 (P.L.267, No.70), known  
as the Pennsylvania Convention Center Authority Act,] **64 Pa.C.S.**  
**Ch. 60 (relating to Pennsylvania Convention Center Authority)**  
and under section 202 of the act of March 4, 1971 (P.L.6, No.2),  
known as the Tax Reform Code of 1971, the council of the city in  
which a convention center is located is hereby authorized to  
impose an excise tax on the consideration received by each  
operator of a hotel within the city from each transaction of  
renting a room or rooms to accommodate transients. The tax shall  
be collected by the operator from the patron of the room and  
paid over to the city pursuant to section 11 and shall be known  
as the tourism and marketing tax. The rate of tax imposed under  
this section by the council of the city in which the convention  
center is located shall not exceed 1%.

Section 11. Special tourism and marketing tax fund.

There shall be deposited annually in a special fund established pursuant to [section 23(e) of the act of June 27, 1986 (P.L.267, No.70), known as the Pennsylvania Convention Center Authority Act,] **64 Pa.C.S. § 6025 (relating to hotel room rental tax; continuation of existing tax)**, for the use of the regional attractions marketing agency, all revenues received from the tax imposed under section 10. All expenditures from the special fund established under [section 23(e) of the Pennsylvania Convention Center Authority Act] **64 Pa.C.S. § 6025** shall be used by the regional attractions marketing agency for direct advertising efforts directed towards advertising and publicizing tourist attractions in the area served by the agency, promoting and attracting tourism to facilities in the area served by the agency and promoting and otherwise encouraging the use of the facilities in the area served by the agency by the public as a whole.

Section 3. The act is amended by adding sections to read:

**Section 11.1. Philadelphia hospitality promotion tax.**

In addition to the tourism and marketing tax imposed under section 10 and the hotel room rental taxes imposed under 64 Pa.C.S. Ch. 60 (relating to Pennsylvania Convention Center Authority) and under section 202 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, the council of the city in which the Pennsylvania Convention Center is located is hereby authorized to impose an excise tax on the consideration received by each operator of a hotel within the city from each transaction of renting a room or rooms to accommodate transients. The tax shall be collected by the operator from the patron of the room and paid over to the city pursuant to section 11.2 and shall be known as the Philadelphia hospitality promotion tax. The rate of tax imposed under this section by the council of the city in which the Pennsylvania Convention Center is located shall not exceed 1.5%.

**Section 11.2. Special Philadelphia hospitality promotion tax fund.**

There shall be deposited annually in a special fund established pursuant to 64 Pa.C.S. § 6025 (relating to hotel room rental tax; continuation of existing tax) all revenues received from the tax imposed under section 11.1 to be used as follows:

(1) Revenues shall be distributed to the regional attractions marketing agency and used by it for direct advertising efforts directed towards advertising and publicizing tourist attractions in the area served by such agency, promoting and attracting tourism to facilities in the area served by the agency and promoting and otherwise encouraging the use of the facilities in the area served by such agency by the public as a whole.

(2) Revenues shall be distributed to the tourist promotion agency and used by it to promote the use of the expanded Pennsylvania Convention Center and to promote the area served by the tourist promotion agency, including in international markets.

(3) Revenues shall be used to further support the

**expanded Pennsylvania Convention Center.**

Section 4. This act shall take effect immediately.

APPROVED--The 11th day of July, A. D. 2008.

EDWARD G. RENDELL