
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 754

Session of
1971

INTRODUCED BY MESSRS. FINEMAN, IRVIS, HOMER, KAUFMAN,
E. B. DAVIS, MRS. TOLL, MESSRS. O'DONNELL AND J. JOHNSON,
APRIL 20, 1971

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 9, 1971

AN ACT

1 Authorizing the imposition of a tax on the sale at retail of
2 liquor and malt and brewed beverages within school districts
3 of the first class coterminous with a city of the first class
4 for public school purposes; providing for its levy and
5 collection; conferring and FOR A LIMITED PERIOD OF TIME
6 imposing powers and duties, and providing penalties. <—

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

9 Section 1. Short Title.--This act shall be known as the
10 "First Class School District Liquor Sales Tax Act of 1971."

11 Section 2. Definitions.--The following terms when used in
12 this act shall have the meanings ascribed to them in this
13 section, except where the context clearly indicates or requires
14 a different meaning:

15 (1) "Tax Collector." The School Revenue Commissioner of a
16 first class school district imposing a tax under this act.

17 (2) "Person." Any individual, limited partnership,
18 partnership, association or corporation. Whenever used in a
19 clause prescribing or imposing a fine or imprisonment or both,

1 the term "person" as applied to "limited partnership" or
2 "partnership," shall mean the partners thereof, as applied to
3 "association," the members thereof, and as applied to
4 "corporation," the officers thereof, except that, as to
5 incorporated clubs, the term "person" shall mean such individual
6 or individuals who, under the bylaws of such clubs, shall have
7 jurisdiction over the possession and sale of liquor therein.

8 (3) "Purchaser." A person who acquires liquor or malt and
9 brewed beverages through sale at retail.

10 (4) "Sale at retail." Any transfer at retail for a
11 consideration in any manner or by any means whatsoever of liquor
12 and malt and brewed beverages, but the term shall not include
13 any transaction which was or is subject to tax by the
14 Commonwealth under either the Tax Act of 1963 for Education or
15 Article II of the Tax Reform Code of 1971.

16 (5) "Tax year." The twelve-month period corresponding to
17 the fiscal year of a school district imposing a tax under this
18 act, and the year for which a tax is levied under this act.

19 (6) "Vendor." Any person maintaining a place of business in
20 any school district of the first class and licensed by the
21 Commonwealth of Pennsylvania to sell liquor or malt and brewed
22 beverages, the sale of which is subject to the tax authorized by
23 this act, but not including an employe who, in the ordinary
24 scope of employment, renders services to his employer in
25 exchange for wages or salary.

26 Section 3. Authority to Levy and Collect Tax; Use of Tax.--

27 For the ~~first~~ tax year beginning on or after July 1, 1971, ~~an~~ <—
28 ~~annually thereafter,~~ every school district of the first class
29 coterminous with a city of the first class, if authorized to do
30 so by city council of said city of the first class, shall levy

1 and collect ~~an annual~~ A tax in the manner and at the rates
2 hereinafter set forth. Such tax shall be in addition to any
3 other tax every such school district is empowered to levy and
4 collect under any existing law. The taxes, interest and
5 penalties collected under the provisions of this act shall be
6 used by every such school district for general public school
7 purposes.

8 Section 4. Authorization of Tax and Rate Thereof.--Any
9 council of any city of the first class coterminous with a school
10 district of the first class may authorize the board of education
11 of such school district of the first class to levy a tax imposed
12 upon each separate sale at retail as defined herein within the
13 school district of the first class of ten per cent of the sale
14 price, which tax shall be collected by the vendor from the
15 purchaser, and shall be paid over by the vendor to the Tax
16 Collector as herein provided.

17 Section 5. Returns and Payment of Tax.--Every vendor
18 required to collect and remit the tax to the Tax Collector shall
19 file monthly returns with respect to such tax on or before the
20 twenty-fifth day of the month succeeding the month with respect
21 to which the return is made. Such returns shall be filed with
22 the Tax Collector on forms provided by him. Every vendor filing
23 a return shall pay over to the Tax Collector the amount of tax
24 shown as due thereon at the time such return is filed. The
25 failure of any vendor to procure or receive a return form shall
26 not excuse him from filing a return and paying over the tax due.

27 Section 6. Powers and Duties of the Tax Collector.--(a) It
28 shall be the duty of the Tax Collector to collect and receive
29 the taxes, interest and penalties authorized by this act.

30 (b) The Tax Collector is hereby charged with the enforcement

1 of the provisions of this act and is hereby empowered to
2 prescribe, adopt, promulgate and enforce rules and regulations
3 governing the administration and enforcement of the provisions
4 of this act, including the reexamination and correction of
5 returns and payments alleged or found to be incorrect, or as to
6 which an overpayment is claimed or found to have occurred.

7 (c) The Tax Collector is hereby authorized to examine the
8 books, papers and records of any vendor in order to verify the
9 accuracy of any return filed or ascertain the amount of tax due.
10 Every vendor is hereby directed and required to give to the Tax
11 Collector the means, facilities and opportunities for such
12 examinations. The Tax Collector is hereby authorized to examine
13 any person concerning the amount of tax due and to this end may
14 compel the production of books, papers and records and the
15 attendance of all persons before him, whether as parties or
16 witnesses, whom he believes to have knowledge relating to the
17 amount of tax due.

18 Section 7. Review and Appeal.--The board of education of
19 every school district levying a tax under this act shall provide
20 a method of appeal for persons aggrieved by any decision of the
21 Tax Collector and for review of petitions for abatement of
22 interest and penalties, compromise and refund of taxes
23 authorized by this act: Provided, however, That as to a school
24 district of the first class coterminous with a city of the first
25 class, such methods shall be the same as provided in the act of
26 May 23, 1949 (P.L.1669), as amended, or as used by said city of
27 the first class for review, abatement, compromise and refund of
28 similar city taxes, interest and penalties.

29 Section 8. Interest and Penalties.--(a) Any vendor who fails
30 to pay over to the Tax Collector any amount of tax due on or

1 before the last date prescribed for payment shall pay interest
2 on such amount at the rate of one-half of one per cent per month
3 or fraction thereof from such last date to the date paid,
4 without regard to any extension of time for payment.

5 (b) Any vendor who fails to pay over to the Tax Collector
6 any amount of tax due on or before the last date prescribed for
7 payment, shall be liable to pay a penalty of one per cent per
8 month or fraction thereof from such last date to the date paid.

9 (c) The interest and penalties provided for in this section
10 shall be added to the tax assessed and collected at the same
11 time, in the same manner, and as part of the tax.

12 Section 9. Suit for Collection.--It shall be the duty of the
13 Tax Collector to sue for the recovery of all taxes due hereunder
14 not paid when due. Any suit to recover any tax, together with
15 interest and penalties, authorized hereunder, from any vendor,
16 shall be begun within six years after such tax is due or within
17 six years after a return has been filed, whichever date is
18 later; but this limitation shall not apply:

19 (1) Where a vendor has failed to file a report required
20 under the provisions of this act.

21 (2) Where an examination of a return filed by a vendor and
22 of other evidence relating to such return reveals a fraudulent
23 evasion of taxes, including, but not limited to, substantial
24 understatement of sales at retail taxed hereunder.

25 Where suit is brought for the recovery of any such tax, the
26 vendor shall be liable for, and it shall be the duty of the Tax
27 Collector to collect, in addition to the tax assessed against
28 such vendor, the costs of such collection and the interest and
29 penalties provided hereunder.

30 Section 10. Criminal Penalties.--(a) Any vendor who wilfully

1 makes any false or untrue statement on his return shall be
2 guilty of a misdemeanor, and, upon conviction thereof, shall be
3 sentenced to pay a fine of not more than three hundred dollars
4 (\$300), or to undergo imprisonment for not more than ninety
5 days, or both.

6 (b) Any vendor who wilfully fails or refuses to appear
7 before the collector in person with his books, records or
8 accounts for examination when required under the provisions of
9 this act to do so, or who wilfully refuses to permit inspection
10 of the books, records or accounts in his custody or control when
11 the right to make such inspection by the collector is requested,
12 shall be guilty of a misdemeanor, and, upon conviction thereof,
13 shall be sentenced to pay a fine of not more than three hundred
14 dollars (\$300), or to undergo imprisonment for not more than
15 ninety days, or both.

16 (c) Any vendor who wilfully fails or refuses to file a
17 return required by this act or to collect and pay over to the
18 Tax Collector any tax imposed hereunder shall be guilty of a
19 misdemeanor and, upon conviction thereof, shall be sentenced to
20 pay a fine of not more than three hundred dollars (\$300), or to
21 undergo imprisonment for not more than ninety days, or both.

22 Section 11. Effective Date.--This act shall take effect
23 immediately.