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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL  
No. 1528 Session of  
1981

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INTRODUCED BY WACHOB, MURPHY, MICHLOVIC, KUKOVICH, MORRIS,  
PETRARCA, COHEN, HOEFFEL, PISTELLA, DOMBROWSKI, BROWN, EVANS,  
STUBAN, J. D. WILLIAMS, RICHARDSON, CLARK, WAMBACH, VAN HORNE  
AND GALLAGHER, JUNE 15, 1981

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REFERRED TO COMMITTEE ON FINANCE, JUNE 15, 1981

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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," imposing a petroleum processing tax and providing  
11 for its administration.

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

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as  
15 the "Tax Reform Code of 1971," is amended by adding an article  
16 to read:

17 ARTICLE V-A

18 PETROLEUM PROCESSING TAX

19 PART I

20 DEFINITIONS

21 Section 551. Definitions.--The following words and phrases

1 as used in this article shall have the meaning ascribed to them  
2 in this section, except where the context clearly indicates a  
3 different meaning:

4 "Barrel." A liquid measure of forty-two gallons.

5 "Person." Any natural person, association, fiduciary,  
6 partnership, corporation or other entity.

7 "Petroleum." Crude oil, petroleum oil or other oily, thick,  
8 flammable liquid occurring naturally in various parts of the  
9 world and commonly obtained by drilling or other extraction  
10 methods.

11 "Petroleum refinery." A building, enclosure, space or any  
12 combination thereof utilizing apparatus, machinery and sundry  
13 equipment to process petroleum.

14 "Processing of petroleum." The refining or distilling of  
15 petroleum into various substances including but not limited to  
16 gasoline, kerosene, naphtha, coke, heating oil and lubricating  
17 oil.

## 18 PART II

### 19 IMPOSITION OF TAX

20 Section 552. Imposition of Tax.--Every person exercising the  
21 privilege of processing petroleum in this Commonwealth shall be  
22 subject to and shall pay a tax at the rate of fifty cents (50¢)  
23 per barrel on each barrel of petroleum placed in the processing  
24 process in a petroleum refinery in this Commonwealth.

## 25 PART III

### 26 RETURNS AND PAYMENT OF TAX

27 Section 553. Returns and Payment of Tax.--Any person subject  
28 to the tax imposed by this article shall, on or before the  
29 fifteenth day of every month, make and file with the department  
30 a return on a form furnished by or obtainable from the

1 department, setting forth the number of barrels of petroleum  
2 placed in the processing process during the preceding month,  
3 together with such other pertinent information as the department  
4 may require, and pay the taxes due thereon.

5 PART IV

6 PROCEDURE; ENFORCEMENT; PENALTIES

7 Section 554. Procedure; Enforcement; Penalties.--Parts III,  
8 IV, V, VI and VII of Article IV are incorporated by reference  
9 into this article insofar as they are applicable to the tax  
10 imposed under this article. Any reference in such parts of  
11 Article IV to annual returns and the annual payment of tax and  
12 related matters shall be deemed to mean monthly returns and  
13 monthly payments, etc., for the purposes of this article.

14 Section 2. This act shall take effect January 1, 1982 and  
15 shall be applicable to all petroleum processed thereafter.  
16 However, the Department of Revenue shall promulgate necessary  
17 regulations and forms for the levying and collection of the tax  
18 as soon as possible.