
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2420

Session of
1982

INTRODUCED BY SALVATORE, O'DONNELL, WESTON, PIEVSKY, WOGAN,
PERZEL, PUCCIARELLI, MAIALE, DEAL, GRAY, RIEGER, McMONAGLE
AND BORSKI, APRIL 21, 1982

REFERRED TO COMMITTEE ON URBAN AFFAIRS, APRIL 21, 1982

AN ACT

1 Authorizing cities of the first class to impose an excise tax on
2 hotel room rentals and providing for the collection and
3 disposition of revenues.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the "First Class
8 City Hotel Room Rental Tax Act."

9 Section 2. Legislative intent.

10 The General Assembly hereby declares that tourism is a major
11 Pennsylvania industry which creates extensive investment and
12 employment opportunities in the Commonwealth. It is an
13 appropriate public purpose to facilitate the growth of this
14 industry by promoting tourism in the Commonwealth through
15 advertising Pennsylvania's natural, historic, recreational and
16 cultural attractions, and through promoting conventions,
17 vacationing in Pennsylvania, and touring Pennsylvania. The
18 purpose of this legislation is to make additional funds

1 available to promote tourism in cities of the first class
2 through a locally adopted tax upon hotel room rentals.

3 Section 3. Definitions.

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

7 "City." Cities of the first class and cities operating under
8 the act of April 21, 1949 (P.L.665, No.155), known as the "First
9 Class City Home Rule Act."

10 "City council." The council of a city.

11 "Consideration." Receipts, fees, charges, rentals, leases,
12 cash, credits, property of any kind or nature, or other payment
13 received by operators in exchange for or in consideration of the
14 use or occupancy by a transient of a room or rooms in a hotel
15 for any temporary period.

16 "Hotel." A hotel, motel, inn, guest house, or other building
17 located within the taxing jurisdiction which holds itself out by
18 any means including advertising, license, registration with any
19 innkeeper's group, convention listing association,, travel
20 publication or similar association or with any government agency
21 as being available to provide overnight lodging or use of
22 facility space for consideration to persons seeking temporary
23 accommodation; any place which advertises to the public at large
24 or any segment thereof that it will provide beds, sanitary
25 facilities or other space for a temporary period to members of
26 the public at large; any place recognized as a hostelry,
27 provided that portions of such facility which are devoted to
28 persons who have established permanent residence shall not be
29 included in this definition.

30 "Occupancy." The use or possession or the right to the use

1 or possession by any person other than a permanent resident of
2 any room in a hotel for any purpose or the right to the use or
3 possession of the furnishings or to the services accompanying
4 the use and possession of the room.

5 "Operator." Any individual, partnership, nonprofit or
6 profit-making association or corporation or other person or
7 group of persons who maintain, operate, manage, own, have
8 custody of, or otherwise possess the right to rent or lease
9 overnight accommodations in any hotel to the public for
10 consideration.

11 "Patron." Any person who pays the consideration for the
12 occupancy of a room or rooms in a hotel.

13 "Permanent resident." Any person who has occupied or has the
14 right to occupy any room or rooms in a hotel as a patron or
15 otherwise for a period exceeding 30 consecutive days.

16 "Room." A space in a hotel set aside for use and occupancy
17 by patrons, or otherwise, for consideration, having at least one
18 bed or other sleeping accommodation provided therein.

19 "Temporary." A period of time not exceeding 30 consecutive
20 days.

21 "Tourist promotion agency." The agency designated by the
22 city council to be eligible for grants from the Department of
23 Commerce pursuant to the act of April 28, 1961 (P.L.111, No.50),
24 known as the "Tourist Promotion Law."

25 "Transaction." The activity involving the obtaining by a
26 transient or patron of the use or occupancy of a hotel room from
27 which consideration emanates to the operator under an express or
28 an implied contract.

29 "Transient." Any individual who obtains an accommodation in
30 any hotel for himself by means of registering at the facility

1 for the temporary occupancy of any room for the personal use of
2 that individual by paying to the operator of the facility a fee
3 in consideration therefor.

4 "Treasurer." The city treasurer, or in any home rule county
5 where there is no elected treasurer, the designee of the
6 governing authority.

7 Section 4. Adoption.

8 The city council is hereby authorized to impose an excise tax
9 not to exceed 3% on the consideration received by each operator
10 of a hotel within the city from each transaction of renting a
11 room or rooms to accommodate transients. The tax shall be
12 collected by the operator from the patron of the room and paid
13 over to the city pursuant to section 5 and be known as the Hotel
14 Room Rental Tax.

15 Section 5. Deposit.

16 The treasurer of each city electing to impose the tax
17 authorized under this act is hereby directed to collect the tax
18 and to deposit the revenues received from the tax in a special
19 account established solely for purposes of tourist promotion
20 agencies. Interest on moneys deposited in the account shall
21 accrue to the account. The treasurer is hereby authorized to
22 establish rules and regulations concerning the collection of the
23 tax.

24 Section 6. Expenditures.

25 Expenditures from the account established pursuant to section
26 5 shall be annually appropriated by the city council for tourist
27 promotion activities. Tourist promotion activities may include,
28 but shall not be limited to, grants to tourist promotion
29 agencies for:

30 (1) advertising and publicizing tourist attractions in

1 the area served by the agency;

2 (2) promoting and attracting conventions, exhibitions
3 and other functions to utilize facilities in the area served
4 by the agency;

5 (3) promoting and otherwise encouraging the use of the
6 facilities in the area served by the agency by the public as
7 a whole, or any segment thereof; and

8 (4) operating, furnishing and otherwise maintaining and
9 equipping tourist promotion centers.

10 Section 7. Tax year.

11 Each tax year for any tax imposed hereunder shall run
12 concurrently with the city's fiscal year.

13 Section 8. Sunset provisions.

14 The provisions of this act shall expire three years after
15 enactment unless the General Assembly, prior to that time,
16 enacts legislation extending the time limitation.

17 Section 9. Effective date.

18 This act shall take effect immediately and cities can begin
19 collecting the tax herein authorized with the commencing of the
20 next fiscal year following adoption of this act.