

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1175

Session of
1983

INTRODUCED BY FRYER, SWEET, STUBAN, A. C. FOSTER, JR. AND LEVI,
JUNE 7, 1983

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JANUARY 31, 1984

AN ACT

1 Amending the act of December 31, 1965 (P.L.1257, No.511),
2 entitled "An act empowering cities of the second class,
3 cities of the second class A, cities of the third class,
4 boroughs, towns, townships of the first class, townships of
5 the second class, school districts of the second class,
6 school districts of the third class and school districts of
7 the fourth class including independent school districts, to
8 levy, assess, collect or to provide for the levying,
9 assessment and collection of certain taxes subject to maximum
10 limitations for general revenue purposes; authorizing the
11 establishment of bureaus and the appointment and compensation
12 of officers, agencies and employes to assess and collect such
13 taxes; providing for joint collection of certain taxes,
14 prescribing certain definitions and other provisions for
15 taxes levied and assessed upon earned income, providing for
16 annual audits and for collection of delinquent taxes, and
17 permitting and requiring penalties to be imposed and
18 enforced, including penalties for disclosure of confidential
19 information, providing an appeal from the ordinance or
20 resolution levying such taxes to the court of quarter
21 sessions and to the Supreme Court and Superior Court,"
22 excluding from the authority to levy realty transfer taxes
23 transfers between brothers and sisters or their spouses.

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

26 Section 1. Section 2(1) of the act of December 31, 1965
27 (P.L.1257, No.511), known as The Local Tax Enabling Act, amended

1 July 1, 1981 (P.L.184, No.53) and June 23, 1982 (P.L.593,
2 No.168), is amended to read:

3 Section 2. Delegation of Taxing Powers and Restrictions
4 Thereon.--The duly constituted authorities of the following
5 political subdivisions, cities of the second class, cities of
6 the second class A, cities of the third class, boroughs, towns,
7 townships of the first class, townships of the second class,
8 school districts of the second class, school districts of the
9 third class, and school districts of the fourth class, in all
10 cases including independent school districts, may, in their
11 discretion, by ordinance or resolution, for general revenue
12 purposes, levy, assess and collect or provide for the levying,
13 assessment and collection of such taxes as they shall determine
14 on persons, transactions, occupations, privileges, subjects and
15 personal property within the limits of such political
16 subdivisions, and upon the transfer of real property, or of any
17 interest in real property, situate within the political
18 subdivision levying and assessing the tax, regardless of where
19 the instruments making the transfers are made, executed or
20 delivered or where the actual settlements on such transfer take
21 place. The taxing authority may provide that the transferee
22 shall remain liable for any unpaid realty transfer taxes imposed
23 by virtue of this act. Each local taxing authority may, by
24 ordinance or resolution, exempt any person whose total income
25 from all sources is less than five thousand dollars (\$5,000) per
26 annum from the per capita or similar head tax, occupation tax
27 and occupational privilege tax, or earned income tax, or any
28 portion thereof, and may adopt regulations for the processing of
29 claims for exemptions. Such local authorities shall not have
30 authority by virtue of this act:

1 (1) To levy, assess and collect or provide for the levying,
2 assessment and collection of any tax on the transfer of real
3 property when the transfer is by will or mortgage or the
4 intestate laws of this Commonwealth or on a transfer by the
5 owner of previously occupied residential premises to a builder
6 of new residential premises when such previously occupied
7 residential premises is taken in trade by such builder as part
8 of the consideration from the purchaser of a new previously
9 unoccupied single family residential premises or on a transfer
10 between corporations operating housing projects pursuant to the
11 housing and redevelopment assistance law and the shareholders
12 thereof, or on a transfer between nonprofit industrial
13 development agencies and industrial corporations purchasing from
14 them, or on transfer to or from nonprofit industrial development
15 agencies, or on a transfer between husband and wife, or on a
16 transfer between persons who were previously husband and wife
17 but who have since been divorced; provided such transfer is made
18 within three months of the date of the granting of the final
19 decree in divorce, or the decree of equitable distribution of
20 marital property, whichever is later, and the property or
21 interest therein, subject to such transfer, was acquired by the
22 husband and wife, or husband or wife, prior to the granting of
23 the final decree in divorce, or on a transfer between parent and
24 child or the spouse of such a child, or between parent and
25 trustee for the benefit of a child or the spouse of such child,
26 or on a transfer between a grandparent and grandchild or the
27 spouse of such grandchild, or on a transfer between brother and
28 sister OR BROTHER AND BROTHER OR SISTER AND SISTER or the spouse <—
29 of such brother or sister, or on a transfer to a conservancy
30 which possesses a tax-exempt status pursuant to section

1 501(c)(3) of the Internal Revenue Code, and which has as its
2 primary purpose the preservation of land for historic,
3 recreational, scenic, agricultural or open space opportunities,
4 by and between a principal and straw party for the purpose of
5 placing a mortgage or ground rent upon the premises, or on a
6 correctional deed without consideration, or on a transfer to the
7 United States, the Commonwealth of Pennsylvania, or to any of
8 their instrumentalities, agencies or political subdivisions, by
9 gift, dedication or deed in lieu of condemnation, or deed of
10 confirmation in connection with condemnation proceedings, or
11 reconveyance by the condemning body of the property condemned to
12 the owner of record at the time of condemnation which
13 reconveyance may include property line adjustments provided said
14 reconveyance is made within one year from the date of
15 condemnation, leases, or on a conveyance to a trustee under a
16 recorded trust agreement for the express purpose of holding
17 title in trust as security for a debt contracted at the time of
18 the conveyance under which the trustee is not the lender and
19 requiring the trustee to make reconveyance to the grantor-
20 borrower upon the repayment of the debt, or in any sheriff sale
21 instituted by a mortgagee in which the purchaser of said sheriff
22 sale is the mortgagee who instituted said sale, or on a
23 privilege, transaction, subject, occupation or personal property
24 which is now or does hereafter become subject to a State tax or
25 license fee;

26 * * *

27 Section 2. This act shall take effect in 60 days.