

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1609 Session of
1991

INTRODUCED BY VAN HORNE, JUNE 10, 1991

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 10, 1991

AN ACT

1 Amending the act of December 13, 1988 (P.L.1121, No.145),
2 entitled "An act providing for the reduction of real property
3 taxes and the elimination of other taxes; authorizing
4 counties and political subdivisions to impose certain taxes;
5 providing for the levying, assessment and collection of such
6 taxes; imposing limitations on tax revenues; establishing a
7 program to assist political subdivisions of individuals
8 paying nonresident earned income taxes; establishing a grant
9 and loan program for assessment quality and improvements;
10 establishing a Local Tax Reform Fund and Quality Assessment
11 Revolving Loan Account; providing for a senior citizens real
12 property tax deferral program; providing for the powers and
13 duties of the Department of Community Affairs, the Department
14 of Revenue, the Secretary of the Commonwealth, the
15 Legislative Reference Bureau and the State Tax Equalization
16 Board; imposing penalties; and making repeals," preserving
17 the right to share a certain tax levy.

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

20 Section 1. Section 533 of the act of December 13, 1988
21 (P.L.1121, No.145), known as the Local Tax Reform Act, is
22 amended to read:

23 Section 533. Abolishment of tax.

24 (a) General rule.--After November 30, 1988, and
25 notwithstanding any other provision of this act except for

1 subsection (b), no political subdivision may levy, assess or
2 collect or provide for the levying, assessment or collection of
3 a mercantile or business privilege tax on gross receipts or part
4 thereof.

5 (b) Existing taxes preserved.--

6 (1) Any political subdivision which has on or before
7 November 30, 1988, levied, assessed or collected or provided for
8 the levying, assessment or collection of a mercantile or
9 business privilege tax on gross receipts or part thereof may
10 continue to levy, assess and collect such tax on such subjects
11 upon which the tax was imposed by the political subdivision as
12 of November 30, 1988, at a rate not to exceed the rate imposed
13 by the political subdivision as of November 30, 1988.

14 (2) Notwithstanding paragraph (1), whenever any political
15 subdivision has levied, assessed or collected a mercantile or
16 business privilege tax on or before November 30, 1988, any other
17 political subdivision may levy, assess and collect a similar
18 mercantile or business privilege tax upon the same businesses or
19 transactions located within both such political subdivisions at
20 one-half of the rate of the tax levied by the first political
21 subdivision in accordance with the act of December 31, 1965
22 (P.L.1257, No.511), known as The Local Tax Enabling Act.

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