

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1824 Session of  
1995

INTRODUCED BY FICHTER, HENNESSEY, CORNELL, CONTI, REBER,  
PISTELLA, BARD, MELIO AND GANNON, JUNE 20, 1995

REFERRED TO COMMITTEE ON FINANCE, JUNE 20, 1995

AN ACT

1 Amending the act of May 30, 1984 (P.L.345, No.69), entitled "An  
2 act to provide revenue for cities of the first class by  
3 authorizing and imposing a tax on persons engaging in certain  
4 businesses, professions, occupations, trades, vocations and  
5 commercial activities therein; providing for its levy and  
6 collection at the option of cities of the first class;  
7 conferring and imposing powers and duties on cities of the  
8 first class and the collector of city taxes in such cities;  
9 and prescribing penalties," further defining "business" to  
10 exclude certain services and sales.

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

13 Section 1. The definition of "business" in section 2 of the  
14 act of May 30, 1984 (P.L.345, No.69), known as the First Class  
15 City Business Tax Reform Act, is amended to read:

16 Section 2. Definitions.

17 The following words and phrases when used in this act shall  
18 have the meanings given to them in this section unless the  
19 context clearly indicates otherwise:

20 \* \* \*

21 "Business." Carrying on or exercising, for gain or profit,

1 within a city of the first class, any trade, business, including  
2 financial business as hereinafter defined, profession, vocation  
3 or commercial activity or making sales to persons within such  
4 city of the first class. "Business" shall not include the  
5 following:

6 (1) Any business conducted by a nonprofit corporation or  
7 association organized for religious, charitable or  
8 educational purposes, the business of any political  
9 subdivision or of any authority created and organized under  
10 and pursuant to law of this Commonwealth.

11 (2) The specific business conducted by any public  
12 utility operating under the laws, rules and regulations  
13 administered by the Pennsylvania Public Utility Commission or  
14 conducted by a business subject to the jurisdiction of the  
15 Interstate Commerce Commission of furnishing or supplying  
16 service or services at the rates specified in its tariffs.

17 (3) The business of any insurance company, association  
18 or exchange, or any fraternal, benefit or beneficial society  
19 of any other state under the laws of which insurance  
20 companies, associations or exchanges or fraternal, benefit or  
21 beneficial societies of this Commonwealth doing business in  
22 such other state are subjected, by reason of the tax imposed  
23 by this act, to additional or further taxes, fines, penalties  
24 or license fees by such other state.

25 (4) Any employment for a wage or salary.

26 (5) Services performed within a city of the first class  
27 by a person, an affiliated group, partnership, financial  
28 business, corporation or other business entity whose place of  
29 business is physically located outside the city of the first  
30 class.

1       (6) Sales made to customers within the city of the first  
2       class, if both the decision to accept the customer's order  
3       and shipment of the goods is made at a location outside the  
4       city of the first class.

5       \* \* \*

6       Section 2. This act shall take effect July 1, 1995, or  
7       immediately, whichever is later.