

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2126 Session of
2001

INTRODUCED BY BENNINGHOFF, HERMAN, ARMSTRONG, M. BAKER,
BELFANTI, CAPPELLI, COLEMAN, CREIGHTON, DALEY, FEESE,
GRUCELA, HANNA, HARHART, HORSEY, McILHATTAN, METCALFE,
PICKETT, RUBLEY, B. SMITH, SOLOBAY, STEELMAN, TIGUE, TRICH,
WASHINGTON, WILT AND WOJNAROSKI, NOVEMBER 13, 2001

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, NOVEMBER 13, 2001

AN ACT

1 Amending the act of June 22, 2001 (P.L.374, No.24), entitled "An
2 act providing for optional occupation tax replacement; and
3 making a repeal," further providing for the definitions of
4 "governing body" and "political subdivision" and for earned
5 income tax limits; and making an editorial correction.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. The title of the act of June 22, 2001 (P.L.374,
9 No.24), known as the Optional Occupation Tax Elimination Act, is
10 amended to read:

AN ACT

12 Providing for optional occupation tax replacement[; and making a
13 repeal].

14 Section 2. The definitions of "governing body" and
15 "political subdivision" in section 2 of the act are amended to
16 read:

17 Section 2. Definitions.

18 The following words and phrases when used in this act shall

1 have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 * * *

4 "Governing body." A city council, borough council,
5 incorporated town council, board of township commissioners,
6 board of township supervisors, a governing council of a home
7 rule municipality or optional plan municipality, a governing
8 council of any similar general purpose unit of government which
9 may hereafter be created by statute or a board of school
10 directors of a school district.

11 * * *

12 "Political subdivision." Any city, borough, incorporated
13 town, township or school district.

14 * * *

15 Section 3. Section 4(c) of the act is amended to read:
16 Section 4. Earned income tax rate limits.

17 * * *

18 (c) Other rates of taxation.--If a municipality or school
19 district, both of which impose an earned income tax on the same
20 individual under The Local Tax Enabling Act and both of which
21 are limited to or have agreed upon a division of the tax rate in
22 accordance with section 8(3) of The Local Tax Enabling Act, and
23 the school district receives voter approval under section 7 and
24 opts to increase the rate of earned income tax in excess of that
25 limit or agreement, then the municipality or school district
26 which does not receive voter approval shall remain subject to
27 that limit or agreement.

28 Section 4. This act shall apply to political subdivisions
29 which levy an occupation tax on the effective date of this act.

30 Section 5. This act shall take effect immediately.