

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**

**No. 95**

Session of  
2003

INTRODUCED BY MARKOSEK, READSHAW, GODSHALL, CORRIGAN, LAUGHLIN,  
DALEY, MUNDY, HORSEY AND TANGRETTI, FEBRUARY 3, 2003

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 3, 2003

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," further defining "purchase price" for purposes of  
11 sales tax; and further providing for imposition of tax and  
12 exclusions from tax.

13 The General Assembly of the Commonwealth of Pennsylvania  
14 hereby enacts as follows:

15 Section 1. Sections 201(g)(8), (m) and (yy), 202(f) and  
16 204(60) of the act of March 4, 1971 (P.L.6, No.2), known as the  
17 Tax Reform Code of 1971, amended or added May 24, 2000 (P.L.106,  
18 No.23), are amended to read:

19 Section 201. Definitions.--The following words, terms and  
20 phrases when used in this Article II shall have the meaning  
21 ascribed to them in this section, except where the context  
22 clearly indicates a different meaning:

23 \* \* \*

1 (g) "Purchase price."

2 \* \* \*

3 [(8) The purchase price of prebuilt housing shall be sixty  
4 per cent of the manufacturer's selling price: Provided, however,  
5 That a manufacturer of prebuilt housing who precollects tax from  
6 a prebuilt housing builder at the time of the sale to the  
7 prebuilt housing builder shall have the option to collect tax on  
8 sixty per cent of the selling price or on one hundred per cent  
9 of the actual cost of the supplies and materials used in the  
10 manufacture of the prebuilt housing.]

11 \* \* \*

12 (m) "Tangible personal property." Corporeal personal  
13 property including, but not limited to, goods, wares,  
14 merchandise, steam and natural and manufactured and bottled gas  
15 for non-residential use, electricity for non-residential use,  
16 prebuilt housing, prepaid telecommunications, premium cable or  
17 premium video programming service, spirituous or vinous liquor  
18 and malt or brewed beverages and soft drinks, interstate  
19 telecommunications service originating or terminating in the  
20 Commonwealth and charged to a service address in this  
21 Commonwealth, intrastate telecommunications service with the  
22 exception of (i) subscriber line charges and basic local  
23 telephone service for residential use and (ii) charges for  
24 telephone calls paid for by inserting money into a telephone  
25 accepting direct deposits of money to operate, provided further,  
26 the service address of any intrastate telecommunications service  
27 is deemed to be within this Commonwealth or within a political  
28 subdivision, regardless of how or where billed or paid. In the  
29 case of any such interstate or intrastate telecommunications  
30 service, any charge paid through a credit or payment mechanism

1 which does not relate to a service address, such as a bank,  
2 travel, credit or debit card, but not including prepaid  
3 telecommunications, is deemed attributable to the address of  
4 origination of the telecommunications service.

5 \* \* \*

6 (yy) "Prebuilt housing sale." A sale of prebuilt housing to  
7 a prebuilt housing purchaser, including a sale to a landlord,  
8 without regard to whether the person making the sale is  
9 responsible for installing the prebuilt housing or whether the  
10 prebuilt housing [becomes a real estate structure] is used for  
11 residential purposes upon installation. Temporary installation  
12 by a prebuilt housing builder for display purposes of a unit  
13 held for resale shall not be considered occupancy for  
14 residential purposes.

15 \* \* \*

16 Section 202. Imposition of Tax.--\* \* \*

17 (f) Notwithstanding any other provision of this article, tax  
18 with respect to sales of prebuilt housing shall be imposed on  
19 the prebuilt housing [builder] purchaser at the time of the  
20 prebuilt housing sale within this Commonwealth and shall be  
21 [paid] collected and reported by the prebuilt housing builder to  
22 the department in the time and manner provided in this article[:  
23 Provided, however, That a manufacturer of prebuilt housing may,  
24 at its option, precollect the tax from the prebuilt housing  
25 builder at the time of sale to the prebuilt housing builder]. In  
26 any case where prebuilt housing is purchased and the tax is not  
27 [paid] collected by the prebuilt housing builder or  
28 [precollected] by the manufacturer, the prebuilt housing  
29 purchaser shall remit tax directly to the department if the  
30 prebuilt housing is used in this Commonwealth [without regard to

1 whether the prebuilt housing becomes a real estate structure].  
2 Prebuilt housing shall not be classified as real property and  
3 shall not be subject to any local real property or real estate  
4 taxation.

5 Section 204. Exclusions from Tax.--The tax imposed by  
6 section 202 shall not be imposed upon any of the following:

7 \* \* \*

8 [(60) The sale or use of used prebuilt housing.]

9 \* \* \*

10 Section 2. This act shall take effect January 1, 2004, or  
11 immediately, whichever is later.