
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 218 Session of
2007

INTRODUCED BY BROWNE, KASUNIC, BOSCOLA, FONTANA, ROBBINS, STOUT,
COSTA, FOLMER, ARMSTRONG, PUNT, REGOLA, GORDNER, PILEGGI,
ERICKSON, O'PAKE, VANCE, C. WILLIAMS, LOGAN, WAUGH, BRUBAKER,
PIPPY, WONDERLING, SCARNATI, BAKER AND FUMO, JANUARY 29, 2007

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, MAY 7, 2007

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 providing for local services taxes; repealing provisions
23 relating to emergency and municipal services taxes and to
24 continuation of occupational privilege taxes; and making
25 editorial changes.

26 The General Assembly of the Commonwealth of Pennsylvania
27 hereby enacts as follows:

1 Section 1. Section 2 of the act of December 31, 1965
2 (P.L.1257, No.511), known as The Local Tax Enabling Act, amended
3 December 1, 2004 (P.L.1729, No.222), is amended to read:

4 Section 2. Delegation of Taxing Powers and Restrictions

5 Thereon.--(A) The duly constituted authorities of the following <—
6 political subdivisions, cities of the second class, cities of
7 the second class A, cities of the third class, boroughs, towns,
8 townships of the first class, townships of the second class,
9 school districts of the second class, school districts of the
10 third class, and school districts of the fourth class, in all
11 cases including independent school districts, may, in their
12 discretion, by ordinance or resolution, for general revenue
13 purposes, levy, assess and collect or provide for the levying,
14 assessment and collection of such taxes as they shall determine
15 on persons, transactions, occupations, privileges, subjects and
16 personal property within the limits of such political
17 subdivisions, and upon the transfer of real property, or of any
18 interest in real property, situate within the political
19 subdivision levying and assessing the tax, regardless of where
20 the instruments making the transfers are made, executed or
21 delivered or where the actual settlements on such transfer take
22 place. The taxing authority may provide that the transferee
23 shall remain liable for any unpaid realty transfer taxes imposed
24 by virtue of this act. Each local taxing authority may, by
25 ordinance or resolution, exempt any person whose total income
26 from all sources is less than twelve thousand dollars (\$12,000)
27 per annum from the per capita or similar head tax, occupation
28 tax [and emergency and municipal services tax,] or earned income
29 tax, or any portion thereof, and may adopt regulations for the
30 processing of claims for exemptions. Each political subdivision

1 levying the local services tax at a rate exceeding ten dollars
2 (\$10) shall, and each political subdivision levying the local
3 services tax at a rate of ten dollars (\$10) or less may, by
4 ordinance or resolution, exempt any person from the local
5 services tax whose total income EARNED INCOME AND NET PROFITS <—
6 from all sources WITHIN THE POLITICAL SUBDIVISION is less than <—
7 twelve thousand dollars (\$12,000) for the calendar year in which
8 the local services tax is levied. Each political subdivision <—
9 providing for exemption shall adopt regulations for the
10 processing of refund claims for the local services tax paid by
11 any person who is eligible for the exemption. The regulations
12 shall be consistent with 53 Pa.C.S. §§ 8425 (relating to refunds
13 of overpayments) and 8426 (relating to interest on overpayment).
14 Refunds made within seventy five days of a refund request or
15 seventy five days after the last day the employer is required to
16 remit the local services tax for the last quarter of the
17 calendar year under section 9 of this act, whichever is later,
18 shall not be subject to interest imposed under 53 Pa.C.S. §
19 8426. It is the intent of this section that a political
20 subdivision or its tax officer determine eligibility for the
21 exemption and provide refunds to exempt persons from the local
22 services tax and that employers shall not be responsible for
23 processing an exemption or exempting any employe from the local
24 services tax. For purposes of exemption from the local services
25 tax, "income from all sources" shall be limited to "earned
26 income" and "net profits" as defined in Division I of section
27 13. The Department of Community and Economic Development shall
28 develop uniform forms to be used by political subdivisions to
29 facilitate the refund of the local services tax to any person
30 eligible for the exemption. Such local authorities shall not

1 (B) (1) A PERSON SEEKING TO CLAIM AN EXEMPTION FROM THE
2 LOCAL SERVICES TAX SHALL ANNUALLY FILE AN EXEMPTION CERTIFICATE
3 WITH THE POLITICAL SUBDIVISION LEVYING THE TAX AND WITH THE
4 PERSON'S EMPLOYER AFFIRMING THAT THE PERSON REASONABLY EXPECTS
5 TO RECEIVE EARNED INCOME AND NET PROFITS FROM ALL SOURCES WITHIN
6 THE POLITICAL SUBDIVISION OF LESS THAN TWELVE THOUSAND DOLLARS
7 (\$12,000) IN THE CALENDAR YEAR FOR WHICH THE EXEMPTION
8 CERTIFICATE IS FILED. IN THE EVENT THE POLITICAL SUBDIVISION
9 UTILIZES A TAX COLLECTION OFFICER PURSUANT TO SECTION 10 OF THIS
10 ACT, THE POLITICAL SUBDIVISION SHALL PROVIDE A COPY OF THE
11 EXEMPTION CERTIFICATE TO THAT OFFICER. THE EXEMPTION CERTIFICATE
12 SHALL HAVE ATTACHED TO IT A COPY OF ALL OF THE EMPLOYE'S LAST
13 PAY STUBS OR W-2 FORMS FROM EMPLOYMENT WITHIN THE POLITICAL
14 SUBDIVISION FOR THE YEAR PRIOR TO THE FISCAL YEAR FOR WHICH THE
15 EMPLOYE IS REQUESTING TO BE EXEMPTED FROM THE LOCAL SERVICES
16 TAX. UPON RECEIPT OF THE EXEMPTION CERTIFICATE AND UNTIL
17 OTHERWISE INSTRUCTED BY THE POLITICAL SUBDIVISION LEVYING THE
18 TAX OR EXCEPT AS REQUIRED BY CLAUSE (2), THE EMPLOYER SHALL NOT
19 WITHHOLD THE TAX FROM THE PERSON DURING THE CALENDAR YEAR OR THE
20 REMAINDER OF THE CALENDAR YEAR FOR WHICH THE EXEMPTION
21 CERTIFICATE APPLIES. EMPLOYERS SHALL ENSURE THAT THE EXEMPTION
22 CERTIFICATE FORMS ARE READILY AVAILABLE TO EMPLOYEES AT ALL TIMES
23 AND SHALL FURNISH EACH NEW EMPLOYE WITH A FORM AT THE TIME OF
24 HIRING. THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
25 SHALL DEVELOP AND MAKE AVAILABLE TO POLITICAL SUBDIVISIONS AND
26 EMPLOYERS UNIFORM EXEMPTION CERTIFICATES REQUIRED BY THIS
27 CLAUSE.

28 (2) WITH RESPECT TO A PERSON WHO CLAIMED AN EXEMPTION FOR A
29 GIVEN CALENDAR YEAR FROM THE TAX LEVIED BY A POLITICAL
30 SUBDIVISION UNDER THIS SUBSECTION, UPON NOTIFICATION TO AN

1 EMPLOYER BY THE PERSON OR BY THE POLITICAL SUBDIVISION THAT THE
2 PERSON HAS RECEIVED INCOME EQUAL TO OR IN EXCESS OF TWELVE
3 THOUSAND DOLLARS (\$12,000) IN THAT CALENDAR YEAR OR THAT THE
4 PERSON IS OTHERWISE INELIGIBLE FOR THE TAX EXEMPTION FOR THAT
5 CALENDAR YEAR, OR UPON AN EMPLOYER'S PAYMENT TO THE PERSON OF
6 INCOME IN AN AMOUNT EQUAL TO OR IN EXCESS OF TWELVE THOUSAND
7 DOLLARS (\$12,000) IN THAT CALENDAR YEAR, AN EMPLOYER SHALL
8 WITHHOLD THE TAX LEVIED BY A POLITICAL SUBDIVISION UNDER THIS
9 SECTION FROM THE PERSON UNDER CLAUSE (3).

10 (3) IF A PERSON WHO CLAIMED AN EXEMPTION FOR A GIVEN
11 CALENDAR YEAR FROM THE TAX LEVIED BY A POLITICAL SUBDIVISION
12 UNDER THIS SUBSECTION BECOMES SUBJECT TO THE TAX FOR THE
13 CALENDAR YEAR UNDER CLAUSE (2), THE EMPLOYER SHALL WITHHOLD THE
14 TAX FOR THE REMAINDER OF THAT CALENDAR YEAR. THE EMPLOYER SHALL
15 WITHHOLD FROM THE PERSON, FOR THE FIRST PAYROLL PERIOD AFTER
16 RECEIPT OF THE NOTIFICATION UNDER CLAUSE (2), A LUMP SUM EQUAL
17 TO THE AMOUNT OF TAX THAT WAS NOT WITHHELD FROM THE PERSON DUE
18 TO THE EXEMPTION CLAIMED BY THE PERSON UNDER THIS SUBSECTION.
19 THE AMOUNT OF TAX WITHHELD PER PAYROLL PERIOD FOR THE REMAINING
20 PAYROLL PERIODS IN THAT CALENDAR YEAR SHALL BE THE SAME AMOUNT
21 WITHHELD FOR OTHER EMPLOYEES. IN THE EVENT THE EMPLOYMENT OF A
22 PERSON SUBJECT TO WITHHOLDING OF THE TAX UNDER THIS CLAUSE IS
23 SUBSEQUENTLY SEVERED IN THAT CALENDAR YEAR, THE PERSON SHALL BE
24 LIABLE FOR ANY OUTSTANDING BALANCE OF TAX DUE AND THE POLITICAL
25 SUBDIVISION LEVYING THE TAX MAY PURSUE COLLECTION UNDER THIS
26 ACT.

27 (4) EXCEPT AS PROVIDED IN CLAUSE (2), IT IS THE INTENT OF
28 THIS SUBSECTION THAT EMPLOYERS SHALL NOT BE RESPONSIBLE FOR
29 INVESTIGATING EXEMPTION CERTIFICATES, MONITORING TAX EXEMPTION
30 ELIGIBILITY OR EXEMPTING ANY EMPLOYEE FROM A TAX IMPOSED UNDER

1 THIS SECTION.

2 (5) FOR THE PURPOSES OF THIS SUBSECTION, THE TERMS "EARNED
3 INCOME" AND "NET PROFITS" SHALL HAVE THE SAME MEANINGS AS THOSE
4 TERMS ARE GIVEN IN DIVISION I OF SECTION 13.

5 (C) SUCH LOCAL AUTHORITIES SHALL NOT have authority by
6 virtue of this act:

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

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

1 occupation or personal property which is now or does hereafter
2 become subject to a State tax or license fee;

3 (2) To levy, assess or collect a tax on the gross receipts
4 from utility service of any person or company whose rates and
5 services are fixed and regulated by the Pennsylvania Public
6 Utility Commission or on any public utility services rendered by
7 any such person or company or on any privilege or transaction
8 involving the rendering of any such public utility service;

9 (3) Except on sales of admission to places of amusement, ←
10 OTHER THAN ON SALES OF ADMISSION TO PROFESSIONAL BASEBALL EVENTS
11 IN A CITY OF THE THIRD CLASS WITH A POPULATION OF NOT LESS THAN
12 ONE HUNDRED SIX THOUSAND AND NOT MORE THAN ONE HUNDRED SEVEN
13 THOUSAND BASED ON THE 2000 FEDERAL DECENNIAL CENSUS, or on sales
14 or other transfers of title or possession of property, to levy,
15 assess or collect a tax on the privilege of employing such
16 tangible property as is now or does hereafter become subject to
17 a State tax; and for the purposes of this clause, real property
18 rented for camping purposes shall not be considered a place of
19 amusement.

20 (4) To levy, assess and collect a tax on goods and articles
21 manufactured in such political subdivision or on the by-products
22 of manufacture, or on minerals, timber, natural resources and
23 farm products produced in such political subdivision or on the
24 preparation or processing thereof for use or market, or on any
25 privilege, act or transaction related to the business of
26 manufacturing, the production, preparation or processing of
27 minerals, timber and natural resources, or farm products, by
28 manufacturers, by producers and by farmers with respect to the
29 goods, articles and products of their own manufacture,
30 production or growth, or on any privilege, act or transaction

1 relating to the business of processing by-products of
2 manufacture, or on the transportation, loading, unloading or
3 dumping or storage of such goods, articles, products or by-
4 products; except that local authorities may levy, assess and
5 collect [an emergency and municipal] a local services tax and
6 taxes on the occupation, per capita and earned income or net
7 profits of natural persons engaged in the above activities
8 whether doing business as individual proprietorship or as
9 members of partnerships or other associations;

10 (5) To levy, assess or collect a tax on salaries, wages,
11 commissions, compensation and earned income of nonresidents of
12 the political subdivisions: Provided, That this limitation (5)
13 shall apply only to school districts of the second, third and
14 fourth classes;

15 (6) To levy, assess or collect a tax on personal property
16 subject to taxation by counties or on personal property owned by
17 persons, associations and corporations specifically exempted by
18 law from taxation under the county personal property tax law:
19 Provided, That this limitation (6) shall not apply to cities of
20 the second class;

21 (7) To levy, assess or collect a tax on membership in or
22 membership dues, fees or assessment of charitable, religious,
23 beneficial or nonprofit organizations including but not limited
24 to sportsmens, recreational, golf and tennis clubs, girl and boy
25 scout troops and councils;

26 (8) To levy, assess or collect any tax on a mobilehome or
27 house trailer subject to a real property tax unless the same tax
28 is levied, assessed and collected on other real property in the
29 political subdivision.

30 (9) To levy, assess or collect any tax on individuals for

1 the privilege of engaging in an occupation [(emergency and
2 municipal services tax)] except that such a tax, to be known as
3 the local services tax, may be levied, assessed and collected
4 only by the political subdivision of the taxpayer's place of
5 employment.

6 [Payment of any emergency and municipal services tax to any
7 political subdivision by any person pursuant to an ordinance or
8 resolution passed or adopted under the authority of this act
9 shall be no less than ten dollars (\$10) nor more than fifty-two
10 dollars (\$52) on each person for each calendar year.

11 The situs of such tax shall be the place of employment, but,
12 in the event a person is engaged in more than one occupation, or
13 an occupation which requires his working in more than one
14 political subdivision during the calendar year, the priority of
15 claim to collect such emergency and municipal services tax shall
16 be in the following order: first, the political subdivision in
17 which a person maintains his principal office or is principally
18 employed; second, the political subdivision in which the person
19 resides and works, if such a tax is levied by that political
20 subdivision; third, the political subdivision in which a person
21 is employed and which imposes the tax nearest in miles to the
22 person's home. The place of employment shall be determined as of
23 the day the taxpayer first becomes subject to the tax during the
24 calendar year.

25 It is the intent of this provision that no person shall pay
26 more than fifty-two dollars (\$52) in any calendar year as an
27 emergency and municipal services tax irrespective of the number
28 of political subdivisions within which such person may be
29 employed within any given calendar year.

30 In case of dispute, a tax receipt of the taxing authority for

1 that calendar year declaring that the taxpayer has made prior
2 payment which constitutes prima facie certification of payment
3 to all other political subdivisions.] The following apply:

4 (i) If a local services tax is levied at a combined rate
5 exceeding ten dollars (\$10) in a calendar year, a person subject
6 to the local services tax shall be assessed a pro rata share of
7 the tax for each payroll period in which the person is engaging
8 in an occupation. The pro rata share of the tax assessed on the
9 person for a payroll period shall be determined by dividing the
10 combined rate of the local services tax levied for the calendar
11 year by the number of payroll periods established by the
12 employer for the calendar year. For purposes of determining the
13 pro rata share, an employer shall round down the amount of the
14 tax collected each payroll period to the nearest one-hundredth
15 of a dollar. Collection of the local services tax levied under
16 this subclause shall be made on a payroll period basis for each
17 payroll period in which the person is engaging in an occupation,
18 except as provided in subclause (v).

19 (ii) If a school district levied an emergency and municipal
20 services tax on the effective date of this subclause, the school
21 district may continue to levy the local services tax in the same
22 amount the school district collected on the effective date of
23 this subclause. However, if a municipality located in whole or
24 in part within the school district subsequently levies the local
25 services tax, the school district may only collect five dollars
26 (\$5) on persons employed within the municipality each calendar
27 year. A school district that did not levy an emergency and
28 municipal services tax on the effective date of this subclause
29 shall be prohibited from levying the local services tax. If a
30 school district and a municipality located in whole or in part

1 within the school district both levy a local services tax at a
2 combined rate exceeding ten dollars (\$10), the school district's
3 pro rata share of the aggregate local services taxes levied on
4 persons employed within the municipality shall be collected by
5 the municipality or its tax officer based on payroll periods as
6 provided under subclause (i) and shall be paid to the school
7 district on a quarterly basis within sixty days of receipt by
8 the municipality or its tax officer.

9 (iii) Except as provided in subclause (ii), no person shall
10 be subject to the payment of the local services tax by more than
11 one political subdivision during each payroll period as
12 established by subclause (iv).

13 (iv) With respect to a person subject to the local services
14 tax at a combined rate exceeding ten dollars (\$10), the situs of
15 the tax shall be the place of employment on the first day the
16 person becomes subject to the tax during each payroll period.

17 With respect to a person subject to the local services tax at a
18 combined rate of not more than ten dollars (\$10), the situs of
19 the tax shall be the place of employment determined as of the
20 day the person first becomes subject to the tax during the
21 calendar year. In the event a person is engaged in more than one
22 occupation, that is, concurrent employment, or an occupation
23 which requires the person working in more than one political
24 subdivision during a payroll period, the priority of claim to
25 collect the local services tax shall be in the following order:
26 first, the political subdivision in which a person maintains the
27 person's principal office or is principally employed; second,
28 the political subdivision in which the person resides and works,
29 if the tax is levied by that political subdivision; and third,
30 the political subdivision in which a person is employed and

1 which imposes the tax nearest in miles to the person's home.

2 (v) In the case of concurrent employment, an employer shall
3 refrain from withholding the local services tax, if the employe
4 provides a recent pay statement from a principal employer that
5 includes the name of the employer, the length of the payroll
6 period and the amount of the local services tax withheld and a
7 statement from the employe that the pay statement is from the
8 employe's principal employer and the employe will notify other
9 employers of a change in principal place of employment within
10 two weeks of its occurrence. The Department of Community and
11 Economic Development shall develop a uniform employe statement
12 form.

13 (vi) The local services tax shall be no more than fifty-two
14 dollars (\$52) on each person for each calendar year,
15 irrespective of the number of political subdivisions within
16 which a person may be employed.

17 (vii) Political subdivisions shall adopt regulations for the
18 processing of refund claims for overpaid local services taxes
19 for any calendar year. The regulations shall be consistent with
20 53 Pa.C.S. §§ 8425 and 8426. Refunds made within seventy-five
21 days of a refund request or seventy-five days after the last day
22 the employer is required to remit the local services tax for the
23 last quarter of the calendar year under section 9 of this act,
24 whichever is later, shall not be subject to interest imposed
25 under 53 Pa.C.S. § 8426. Political subdivisions shall only
26 provide refunds for amounts overpaid in a calendar year that
27 exceed one dollar (\$1).

28 (viii) The Department of Community and Economic Development
29 ~~may~~ SHALL provide suggested forms and technical assistance to ←
30 facilitate the administration of the local services tax for

1 political subdivisions and reduce the burden of implementation,
2 accounting and compliance for employers and taxpayers.

3 (ix) For purposes of this clause, "combined rate" shall mean
4 the aggregate annual rate of the local services tax levied by a
5 school district and a municipality located in whole or in part
6 within the school district.

7 (10) To levy, assess or collect a tax on admissions to
8 motion picture theatres: Provided, That this limitation (10)
9 shall not apply to cities of the second class.

10 (11) To levy, assess or collect a tax on the construction of
11 or improvement to residential dwellings or upon the application
12 for or issuance of permits for the construction of or
13 improvements to residential dwellings.

14 (12) To levy, assess and collect a mercantile or business
15 privilege tax on gross receipts or part thereof which are: (i)
16 discounts allowed to purchasers as cash discounts for prompt
17 payment of their bills; (ii) charges advanced by a seller for
18 freight, delivery or other transportation for the purchaser in
19 accordance with the terms of a contract of sale; (iii) received
20 upon the sale of an article of personal property which was
21 acquired by the seller as a trade-in to the extent that the
22 gross receipts in the sale of the article taken in trade does
23 not exceed the amount of trade-in allowance made in acquiring
24 such article; (iv) refunds, credits or allowances given to a
25 purchaser on account of defects in goods sold or merchandise
26 returned; (v) Pennsylvania sales tax; (vi) based on the value of
27 exchanges or transfers between one seller and another seller who
28 transfers property with the understanding that property of an
29 identical description will be returned at a subsequent date;
30 however, when sellers engaged in similar lines of business

1 exchange property and one of them makes payment to the other in
2 addition to the property exchanged, the additional payment
3 received may be included in the gross receipts of the seller
4 receiving such additional cash payments; (vii) of sellers from
5 sales to other sellers in the same line where the seller
6 transfers the title or possession at the same price for which
7 the seller acquired the merchandise; or (viii) transfers between
8 one department, branch or division of a corporation or other
9 business entity of goods, wares and merchandise to another
10 department, branch or division of the same corporation or
11 business entity and which are recorded on the books to reflect
12 such interdepartmental transactions.

13 (13) To levy, assess or collect an amusement or admissions
14 tax on membership, membership dues, fees or assessments,
15 donations, contributions or monetary charges of any character
16 whatsoever paid by the general public, or a limited or selected
17 number thereof, for such persons to enter into any place,
18 indoors or outdoors, to engage in any activities, the
19 predominant purpose or nature of which is exercise, fitness,
20 health maintenance, improvement or rehabilitation, health or
21 nutrition education, or weight control.

22 (14) Except by cities of the second class, to levy, assess
23 or collect a tax on payroll amounts generated as a result of
24 business activity.

25 (15) Except by cities of the second class in which a sports
26 stadium or arena that has received public funds in connection
27 with its construction or maintenance is located, to levy, assess
28 and collect a publicly funded facility usage fee upon those
29 nonresident individuals who use such facility to engage in an
30 athletic event or otherwise render a performance for which they

1 receive remuneration.

2 (16) To levy, assess or collect an amusement or admissions
3 tax on the charge imposed upon a patron for the sale of
4 admission to or for the privilege of admission to a bowling
5 alley or bowling lane to engage in one or more games of bowling.

6 Section 2. Section 7 of the act, amended August 11, 1967
7 (P.L.228, No.83) and October 9, 1967 (P.L.361, No.160), is
8 amended to read:

9 Section 7. Filing of Certified Copies of Ordinances and
10 Resolutions.--When an ordinance or a resolution is first passed
11 or adopted by a political subdivision imposing a tax or license
12 fee under the authority of this act, an exact printed or
13 typewritten copy thereof, certified to by the secretary of the
14 taxing body, shall be filed with the [Department of Community
15 Affairs] Department of Community and Economic Development within
16 fifteen days after the same becomes effective.

17 Any secretary or person acting as the clerk or secretary of
18 the taxing body of any political subdivision during the meeting
19 at which an ordinance or resolution imposing a tax or license
20 fee is passed or adopted as herein provided who shall fail to
21 file the certified copy or statement relative thereto with the
22 [Department of Community Affairs] Department of Community and
23 Economic Development as herein required, shall, upon summary
24 conviction thereof in the county in which the political
25 subdivision is located, be sentenced to pay a fine of not less
26 than five dollars (\$5) nor more than twenty-five dollars (\$25),
27 and the costs of prosecution.

28 Section 3. Section 8 of the act, amended December 1, 2004
29 (P.L.1729, No.222), is amended to read:

30 Section 8. Limitations on Rates of Specific Taxes.--No taxes

1 levied under the provisions of this act shall be levied by any
2 political subdivision on the following subjects exceeding the
3 rates specified in this section:

4 (1) Per capita, poll or other similar head taxes, ten
5 dollars (\$10).

6 (2) On each dollar of the whole volume of business
7 transacted by wholesale dealers in goods, wares and merchandise,
8 one mill, by retail dealers in goods, wares and merchandise and
9 by proprietors of restaurants or other places where food, drink
10 and refreshments are served, one and one-half mills; except in
11 cities of the second class, where rates shall not exceed one
12 mill on wholesale dealers and two mills on retail dealers and
13 proprietors. No such tax shall be levied on the dollar volume of
14 business transacted by wholesale and retail dealers derived from
15 the resale of goods, wares and merchandise, taken by any dealer
16 as a trade-in or as part payment for other goods, wares and
17 merchandise, except to the extent that the resale price exceeds
18 the trade-in allowance.

19 (3) On wages, salaries, commissions and other earned income
20 of individuals, one percent.

21 (4) On retail sales involving the transfer of title or
22 possession of tangible personal property, two percent.

23 (5) On the transfer of real property, one percent.

24 (6) On admissions to places of amusement, athletic events
25 and the like, and on motion picture theatres in cities of the
26 second class, ten percent.

27 (7) Flat rate occupation taxes not using a millage or
28 percentage as a basis, ten dollars (\$10).

29 (8) [Emergency and municipal] Local services taxes, fifty-
30 two dollars (\$52).

1 (9) On admissions to ski facilities, ten percent. The tax
2 base upon which the tax shall be levied shall not exceed forty
3 percent of the cost of the lift ticket. The lift ticket shall
4 include all costs of admissions to the ski facility.

5 (10) On admissions to golf courses, ten percent. The tax
6 base upon which the tax shall be levied shall not exceed forty
7 percent of the greens fee. The greens fee shall include all
8 costs of admissions to the golf course.

9 (12) On payrolls, fifty-five hundredths percent.

10 Except as otherwise provided in this act, at any time two
11 political subdivisions shall impose any one of the above taxes
12 on the same person, subject, business, transaction or privilege,
13 located within both such political subdivisions, during the same
14 year or part of the same year, under the authority of this act
15 then the tax levied by a political subdivision under the
16 authority of this act shall, during the time such duplication of
17 the tax exists, except as hereinafter otherwise provided, be
18 one-half of the rate, as above limited, and such one-half rate
19 shall become effective by virtue of the requirements of this act
20 from the day such duplication becomes effective without any
21 action on the part of the political subdivision imposing the tax
22 under the authority of this act. When any one of the above taxes
23 has been levied under the provisions of this act by one
24 political subdivision and a subsequent levy is made either for
25 the first time or is revived after a lapse of time by another
26 political subdivision on the same person, subject, business,
27 transaction or privilege at a rate that would make the combined
28 levies exceed the limit allowed by this subdivision, the tax of
29 the second political subdivision shall not become effective
30 until the end of the fiscal year for which the prior tax was

1 levied, unless:

2 (1) Notice indicating its intention to make such levy is
3 given to the first taxing body by the second taxing body as
4 follows: (i) when the notice is given to a school district it
5 shall be given at least forty-five days prior to the last day
6 fixed by law for the levy of its school taxes; (ii) when given
7 to any other political subdivision it shall be prior to the
8 first day of January immediately preceding, or if a last day for
9 the adoption of the budget is fixed by law, at least forty-five
10 days prior to such last day; or

11 (2) Unless the first taxing body shall indicate by
12 appropriate resolution its desire to waive notice requirements
13 in which case the levy of the second taxing body shall become
14 effective on such date as may be agreed upon by the two taxing
15 bodies.

16 It is the intent and purpose of this provision to limit rates
17 of taxes referred to in this section so that the entire burden
18 of one tax on a person, subject, business, transaction or
19 privilege shall not exceed the limitations prescribed in this
20 section: Provided, however, That any two political subdivisions
21 which impose any one of the above taxes, on the same person,
22 subject, business, transaction or privilege during the same year
23 or part of the same year may agree among themselves that,
24 instead of limiting their respective rates to one-half of the
25 maximum rate herein provided, they will impose respectively
26 different rates, the total of which shall not exceed the maximum
27 rate as above permitted.

28 Notwithstanding the provisions of this section, any city of
29 the second class A may enact a tax upon wages, salaries,
30 commissions and other earned income of individuals resident

1 therein, not exceeding one percent, even though a school
2 district levies a similar tax on the same person provided that
3 the aggregate of both taxes does not exceed two percent. [In the
4 case of duplication of emergency and municipal services taxes by
5 both a school district, other than a school district of the
6 first class A, and another taxing body, the school district's
7 share of the tax shall not exceed the amount of a tax on the
8 privilege of engaging in an occupation collected by the school
9 district as of the effective date of this paragraph. In the case
10 where a school district did not levy a tax on the privilege of
11 engaging in an occupation on the effective date of this
12 paragraph, the school district may impose a future levy not to
13 exceed five dollars (\$5). A school district of the first class A
14 shall not levy, assess or collect an emergency and municipal
15 services tax.]

16 Section 4. Section 9 of the act, amended December 12, 1968
17 (P.L.1203, No.377), is amended to read:

18 Section 9. Register for Earned Income and [Occupational
19 Privilege] Local Services Taxes.--It shall be the duty of the
20 [Department of Community Affairs] Department of Community and
21 Economic Development to have available an official continuing
22 register supplemented annually of all earned income and
23 [occupational privilege] local services taxes levied under
24 authority of this act. The register and its supplements,
25 hereinafter referred to as the register, shall list such
26 jurisdictions levying earned income [and/or occupational
27 privilege] and local services taxes, the rate of the tax as
28 stated in the tax levying ordinance or resolution, and the
29 effective rate on resident and nonresident taxpayers, if
30 different from the stated rate because of a coterminous levy,

1 the name and address of the officer responsible for
2 administering the collection of the tax and from whom
3 information, forms for reporting and copies of rules and
4 regulations are available. With each jurisdiction listed, all
5 jurisdictions making coterminous levies shall also be noted and
6 their tax rates shown.

7 Information for the register shall be furnished by the
8 secretary of each taxing body to the [Department of Community
9 Affairs] Department of Community and Economic Development in
10 such manner and on such forms as the [Department of Community
11 Affairs] Department of Community and Economic Development may
12 prescribe. The information must be received by the [Department
13 of Community Affairs] Department of Community and Economic
14 Development by certified mail not later than May 31 of each year
15 to show new tax enactments, repeals and changes. Failure to
16 comply with this date for filing may result in the omission of
17 the levy from the register for that year. Failure of the
18 [Department of Community Affairs] Department of Community and
19 Economic Development to receive information of taxes continued
20 without change may be construed by the department to mean that
21 the information contained in the previous register remains in
22 force.

23 The [Department of Community Affairs] Department of Community
24 and Economic Development shall have the register with such
25 annual supplements as may be required by new tax enactments,
26 repeals or changes available upon request not later than July 1
27 of each year. The effective period for each register shall be
28 from July 1 of the year in which it is issued to June 30 of the
29 following year.

30 Employers shall not be required by any local ordinance to

1 withhold from the wages, salaries, commissions or other
2 compensation of their employes any tax imposed under the
3 provisions of this act, which is not listed in the register, or
4 make reports of wages, salaries, commissions or other
5 compensation in connection with taxes not so listed: Provided,
6 That if the register is not available by July 1, the register of
7 the previous year shall continue temporarily in effect for an
8 additional period not to exceed one year. The provisions of this
9 section shall not affect the liability of any taxpayer for taxes
10 lawfully imposed under this act.

11 Ordinances or resolutions imposing earned income or
12 [occupational privilege] local services taxes under authority of
13 this act may contain provisions requiring employers doing
14 business within the jurisdiction of the political subdivision
15 imposing the tax to withhold the tax from the compensation of
16 those of their employes who are subject to the tax: Provided,
17 That no employer shall be held liable for failure to withhold
18 earned income taxes or for the payment of such withheld tax
19 money to a political subdivision other than the political
20 subdivision entitled to receive such money if such failure to
21 withhold or such incorrect transmittal of withheld taxes arises
22 from incorrect information as to the employe's place of
23 residence submitted by the employe: And provided further, That
24 [employers shall not be required by any local ordinance to
25 withhold from compensation for any one of their employes for the
26 occupational privilege tax more than one time in any fiscal
27 period:] no employer shall be held liable for failure to
28 withhold the local services tax or for the payment of the
29 withheld tax money to a political subdivision if the failure to
30 withhold taxes arises from incorrect information submitted by

1 the employe as to the employe's place or places of employment,
2 the employe's principal office or where the employe is
3 principally employed: And provided further, That an employer
4 shall not be liable for payment of the local services tax in an
5 amount exceeding the amount withheld by the employer if the
6 employer complies with the provisions of section 2(9) of this
7 act and remits the amount so withheld in accordance with this
8 section: And provided further, That the [occupational privilege]
9 local services tax shall be applicable to employment in the
10 period beginning January 1, of the current year and ending
11 December 31 of the current year, except that taxes imposed for
12 the first time shall become effective from [the date] January 1
13 of the year specified in the ordinance or resolution, and the
14 tax shall continue in force on a calendar year basis[.]: And
15 provided further, That employers shall be required to remit the
16 local services taxes ~~within~~ thirty days after the end of each ←
17 quarter of a calendar year.

18 Section 5. Section 19 of the act, amended October 4, 1978
19 (P.L.930, No.177), is amended to read:

20 Section 19. Collection of Delinquent Per Capita, Occupation,
21 Occupational Privilege, Emergency and Municipal Services, Local
22 Services and Earned Income Taxes from Employers, etc.--The tax
23 collector shall demand, receive and collect from all
24 corporations, political subdivisions, associations, companies,
25 firms or individuals, employing persons owing delinquent per
26 capita, or occupation, occupational privilege, emergency and
27 municipal services, local services and earned income taxes, or
28 whose spouse owes delinquent per capita, occupation,
29 occupational privilege, emergency and municipal services, local
30 services and earned income taxes, or having in possession unpaid

1 commissions or earnings belonging to any person or persons owing
2 delinquent per capita, occupation, occupational privilege,
3 emergency and municipal services, local services and earned
4 income taxes, or whose spouse owes delinquent per capita,
5 occupation, occupational privilege, emergency and municipal
6 services, local services and earned income taxes, upon the
7 presentation of a written notice and demand certifying that the
8 information contained therein is true and correct and containing
9 the name of the taxable or the spouse thereof and the amount of
10 tax due. Upon the presentation of such written notice and
11 demand, it shall be the duty of any such corporation, political
12 subdivision, association, company, firm or individual to deduct
13 from the wages, commissions or earnings of such individual
14 employes, then owing or that shall within sixty days thereafter
15 become due, or from any unpaid commissions or earnings of any
16 such taxable in its or his possession, or that shall within
17 sixty days thereafter come into its or his possession, a sum
18 sufficient to pay the respective amount of the delinquent per
19 capita, occupation, occupational privilege, emergency and
20 municipal services, local services and earned income taxes and
21 costs, shown upon the written notice or demand, and to pay the
22 same to the tax collector of the taxing district in which such
23 delinquent tax was levied within sixty days after such notice
24 shall have been given. No more than ten percent of the wages,
25 commissions or earnings of the delinquent taxpayer or spouse
26 thereof may be deducted at any one time for delinquent per
27 capita, occupation, occupational privilege, emergency and
28 municipal services, local services and earned income taxes and
29 costs. Such corporation, political subdivision, association,
30 firm or individual shall be entitled to deduct from the moneys

1 collected from each employe the costs incurred from the extra
2 bookkeeping necessary to record such transactions, not exceeding
3 two percent of the amount of money so collected and paid over to
4 the tax collector. Upon the failure of any such corporation,
5 political subdivision, association, company, firm or individual
6 to deduct the amount of such taxes or to pay the same over to
7 the tax collector, less the cost of bookkeeping involved in such
8 transaction, as herein provided, within the time hereby
9 required, such corporation, political subdivision, association,
10 company, firm or individual shall forfeit and pay the amount of
11 such tax for each such taxable whose taxes are not withheld and
12 paid over, or that are withheld and not paid over together with
13 a penalty of ten percent added thereto, to be recovered by an
14 action of assumpsit in a suit to be instituted by the tax
15 collector, or by the proper authorities of the taxing district,
16 as debts of like amount are now by law recoverable, except that
17 such person shall not have the benefit of any stay of execution
18 or exemption law. The tax collector shall not proceed against a
19 spouse or his employer until he has pursued collection remedies
20 against the delinquent taxpayer and his employer under this
21 section.

22 Section 6. Section 20 of the act is amended to read:

23 Section 20. Collection of Delinquent Per Capita, Occupation,
24 Occupational Privilege, Emergency and Municipal Services, Local
25 Services and Earned Income Taxes from the Commonwealth.--Upon
26 presentation of a written notice and demand under oath or
27 affirmation, to the State Treasurer or any other fiscal officer
28 of the State, or its boards, authorities, agencies or
29 commissions, it shall be the duty of the treasurer or officer to
30 deduct from the wages then owing, or that shall within sixty

1 days thereafter become due to any employe, a sum sufficient to
2 pay the respective amount of the delinquent per capita,
3 occupation, occupation privilege, emergency and municipal
4 services, local services and earned income taxes and costs shown
5 on the written notice. The same shall be paid to the tax
6 collector of the taxing district in which said delinquent tax
7 was levied within sixty days after such notice shall have been
8 given.

9 Section 7. Section 22.1 of the act, added November 30, 2004
10 (P.L.1520, No.192), is amended to read:

11 Section 22.1. Costs of Collection of Delinquent Per Capita,
12 Occupation, Occupational Privilege, Emergency and Municipal
13 Services, Local Services and Earned Income Taxes.--(a) A person,
14 public employe or private agency designated by a governing body
15 of a political subdivision to collect and administer a per
16 capita, occupation, occupation privilege, emergency and
17 municipal services, local services or earned income tax may
18 impose and collect the reasonable costs incurred to provide
19 notices of delinquency or to implement similar procedures
20 utilized to collect delinquent taxes from a taxpayer as approved
21 by the governing body of the political subdivision. Reasonable
22 costs collected may be retained by the person, public employe or
23 private agency designated to collect the tax as agreed to by the
24 governing body of the political subdivision. An itemized
25 accounting of all costs collected shall be remitted to the
26 political subdivision on an annual basis.

27 (b) Costs related to the collection of unpaid per capita,
28 occupation [or], occupation privilege, emergency and municipal
29 services or local services taxes may only be assessed, levied
30 and collected for five years from the last day of the calendar

1 year in which the tax was due.

2 (c) A delinquent taxpayer may not bring an action for
3 reimbursement, refund or elimination of reasonable costs of
4 collection assessed or imposed prior to the effective date of
5 this section. Additional costs may not be assessed on delinquent
6 taxes collected prior to the effective date of this section.

7 Section 8. Sections 22.4 and 22.5 of the act, added December
8 1, 2004 (P.L.1729, No.222), are repealed:

9 [Section 22.4. Emergency and Municipal Services Taxes.--Any
10 reference in any act or law to an occupational privilege tax
11 shall mean the emergency and municipal services taxes as
12 provided for in this act.

13 Section 22.5. Restricted Use.--(a) Any municipality
14 deriving funds from the emergency and municipal services tax may
15 only use the funds for:

- 16 (1) police, fire and/or emergency services;
17 (2) road construction and/or maintenance; or
18 (3) reduction of property taxes.

19 (b) For the purpose of the emergency and municipal services
20 tax, the term municipality does not include a school district.]

21 Section 9. The act is amended by adding a section to read:

22 Section 22.6. Restricted Use.--(a) Any municipality
23 deriving funds from the local services tax may only use the
24 funds for:

25 (1) Emergency services, which shall include emergency
26 medical services, police services and/or fire services.

27 (2) Road construction and/or maintenance.

28 (3) Reduction of property taxes.

29 (4) Property tax relief through implementation of a
30 homestead and farmstead exclusion in accordance with 53 Pa.C.S.

1 Ch. 85 Subch. F (relating to homestead property exclusion).

2 (A.1) A MUNICIPALITY SHALL USE NO LESS THAN TWENTY-FIVE
3 PERCENT OF THE FUNDS DERIVED FROM THE LOCAL SERVICES TAX FOR
4 EMERGENCY SERVICES.

5 (b) In the event that a municipality decides to implement a
6 homestead and farmstead exclusion for purposes of providing
7 property tax relief in accordance with subsection (a)(4), the
8 following shall apply:

9 (1) The decision to provide a homestead and farmstead
10 exclusion shall be made, by ordinance, prior to December 1, with
11 the homestead and farmstead exclusion to take effect for the
12 fiscal year beginning the first day of January following
13 adoption of the ordinance. Upon adopting an ordinance in
14 accordance with this paragraph, a municipality shall, by first
15 class mail, notify the assessor, as defined in 53 Pa.C.S. § 8582
16 (relating to definitions), of its decision to provide a
17 homestead and farmstead exclusion.

18 (2) The assessor shall provide a municipality that will be
19 imposing a homestead and farmstead exclusion in accordance with
20 subsection (a)(4) with a certified report, as provided in 53
21 Pa.C.S. § 8584(i) (relating to administration and procedure),
22 listing information regarding homestead and farmstead properties
23 in the municipality as determined pursuant to applications filed
24 with the assessor in connection with this or any other law under
25 which a homestead or farmstead exclusion has been adopted. In
26 the year in which an ordinance is adopted in accordance with
27 paragraph (1), the assessor shall provide the certified report
28 after being notified by the municipality of its decision to
29 provide a homestead and farmstead exclusion. In each succeeding
30 year, the assessor shall provide the certified report by

1 December 1 or at the same time the tax duplicate is certified to
2 the municipality, whichever occurs first. Any duty placed on an
3 assessor in accordance with this paragraph shall be in addition
4 to those established in 53 Pa.C.S. Ch. 85 Subch. F and the act
5 of June 27, 2006 (Sp.Sess. P.L. , No.1), known as the "Taxpayer
6 Relief Act."

7 (3) Only homestead or farmstead properties identified in the
8 certified report of the assessor obtained in any year shall be
9 eligible to receive the exclusion for the next fiscal year.

10 (4) In the year in which a municipality adopts the ordinance
11 evidencing its decision to implement a homestead and farmstead
12 exclusion, the municipality shall notify by first class mail the
13 owner of each parcel of residential property within the
14 municipality which is not approved as a homestead or farmstead
15 property or for which the approval is due to expire of the
16 following:

17 (i) That the homestead and farmstead exclusion program is to
18 be implemented to provide property tax relief as authorized by
19 subsection (a)(4), beginning in the next fiscal year.

20 (ii) That only properties currently identified in the
21 certified report of the assessor as having been approved in
22 whole or in part as homestead or farmstead properties shall be
23 entitled to an exclusion in the next fiscal year.

24 (iii) That owners of properties that have not been approved
25 by the assessor as homestead or farmstead properties may file an
26 application in accordance with 53 Pa.C.S. § 8584(a) by the
27 annual application deadline of March 1 in order to qualify for
28 the program in the year following the next fiscal year.

29 (5) The one-time notice required by paragraph (4) may be
30 combined and made together with the annual notice required by

1 paragraph (7) or with an annual notice by a coterminous
2 political subdivision that has implemented a homestead and
3 farmstead exclusion.

4 (6) In the year in which the initial decision to provide a
5 homestead and farmstead exclusion is made and in each succeeding
6 year, a municipality shall, by resolution, fix the dollar amount
7 that is to be excluded from the assessed value of each homestead
8 and farmstead property for the next fiscal year, consistent with
9 53 Pa.C.S. §§ 8583 (relating to exclusion for homestead
10 property) and 8586 (relating to limitations). This determination
11 of the amount of the homestead and farmstead exclusion shall be
12 made, after receipt of the tax duplicate and the certified
13 report from the assessor, at the time the governing body of a
14 municipality determines the municipal budget and estimates
15 revenues to be derived from the local services tax for the next
16 fiscal year.

17 (7) Each year after the year in which the municipality
18 implements a homestead and farmstead exclusion and no later than
19 sixty days prior to the application deadline, the municipality
20 shall give notice of the existence of the municipality's
21 homestead and farmstead exclusion program, the need to file an
22 application in accordance with 53 Pa.C.S. § 8584(a) in order to
23 qualify for the program and the application deadline, which, in
24 accordance with 53 Pa.C.S. § 8584(b), shall be March 1. This
25 annual notice, which shall be given by first class mail, need
26 only be sent to the owner of each parcel of residential property
27 in the municipality which is not approved as homestead or
28 farmstead property or for which the approval is due to expire.

29 (c) For purposes of this section, the term "municipality"
30 does not include a school district.

1 Section 10. Any ordinance or resolution providing for the
2 levying, assessment or collection of a tax on individuals for
3 the privilege of engaging in an occupation which has been
4 enacted by a political subdivision prior to December 1, 2004,
5 shall continue in full force and effect, without reenactment, as
6 if such tax had been levied, assessed or collected as a local
7 services tax under section 2(9) of the act. All references in
8 any ordinance or resolution to a tax on the privilege of
9 engaging in an occupation shall be deemed to be a reference to a
10 local services tax for the purposes of the act.

11 Section 11. All emergency and municipal services taxes
12 levied for the calendar year beginning on January 1, 2007, shall
13 remain in effect for the calendar year beginning on January 1,
14 2007, and ending December 31, 2007, and are not otherwise
15 altered.

16 Section 12. The following shall apply:

17 (1) Except as provided in paragraph (2), the amendment
18 or addition of the following provisions shall apply to taxes
19 levied for calendar year 2008 and each year thereafter:

20 (i) The amendment of section 2 of the act.

21 (ii) The amendment of section 8 of the act.

22 (iii) The amendment of section 9 of the act, except
23 for any editorial amendment changing the reference from
24 the Department of Community Affairs to the Department of
25 Community and Economic Development.

26 (iv) The amendment of section 19 of the act.

27 (v) The amendment of section 20 of the act.

28 (vi) The amendment of section 22.1 of the act.

29 (vii) The amendment of section 22.4 of the act.

30 (viii) The amendment of section 22.5 of the act.

1 (ix) The addition of section 22.6 of the act.

2 (2) The amendment of the introductory paragraph of
3 section 2 of the act shall not apply, until January 1, 2009,
4 to a municipality which reduced its real estate property tax
5 by at least 25% upon adoption of an ordinance pursuant to the
6 act of December 1, 2004 (P.L.1729, No.222), entitled "An act
7 amending the act of December 31, 1965 (P.L.1257, No.511),
8 entitled 'An act empowering cities of the second class,
9 cities of the second class A, cities of the third class,
10 boroughs, towns, townships of the first class, townships of
11 the second class, school districts of the second class,
12 school districts of the third class and school districts of
13 the fourth class including independent school districts, to
14 levy, assess, collect or to provide for the levying,
15 assessment and collection of certain taxes subject to maximum
16 limitations for general revenue purposes; authorizing the
17 establishment of bureaus and the appointment and compensation
18 of officers, agencies and employes to assess and collect such
19 taxes; providing for joint collection of certain taxes,
20 prescribing certain definitions and other provisions for
21 taxes levied and assessed upon earned income, providing for
22 annual audits and for collection of delinquent taxes, and
23 permitting and requiring penalties to be imposed and
24 enforced, including penalties for disclosure of confidential
25 information, providing an appeal from the ordinance or
26 resolution levying such taxes to the court of quarter
27 sessions and to the Supreme Court and Superior Court,'
28 further providing for delegation of taxing powers and
29 restrictions thereon; providing for nonresident sports
30 facility usage fee, for parking tax rates and for payroll

1 taxes; further providing for limitations on rates of specific
2 taxes and for the appointment of a single collector of taxes;
3 further providing for the applicability of petitions under
4 the act of July 10, 1987 (P.L.246, No.47), known as the
5 Municipalities Financial Recovery Act; and making a repeal."
6 Section 13. Repeals are as follows:

7 (1) The General Assembly declares that the repeal under
8 paragraph (2) is necessary to effectuate the amendment of
9 section 2(9) of the act.

10 (2) Section 6 of the act of December 1, 2004 (P.L.1729,
11 No.222), entitled "An act amending the act of December 31,
12 1965 (P.L.1257, No.511), entitled 'An act empowering cities
13 of the second class, cities of the second class A, cities of
14 the third class, boroughs, towns, townships of the first
15 class, townships of the second class, school districts of the
16 second class, school districts of the third class and school
17 districts of the fourth class including independent school
18 districts, to levy, assess, collect or to provide for the
19 levying, assessment and collection of certain taxes subject
20 to maximum limitations for general revenue purposes;
21 authorizing the establishment of bureaus and the appointment
22 and compensation of officers, agencies and employes to assess
23 and collect such taxes; providing for joint collection of
24 certain taxes, prescribing certain definitions and other
25 provisions for taxes levied and assessed upon earned income,
26 providing for annual audits and for collection of delinquent
27 taxes, and permitting and requiring penalties to be imposed
28 and enforced, including penalties for disclosure of
29 confidential information, providing an appeal from the
30 ordinance or resolution levying such taxes to the court of

1 quarter sessions and to the Supreme Court and Superior
2 Court,' further providing for delegation of taxing powers and
3 restrictions thereon; providing for nonresident sports
4 facility usage fee, for parking tax rates and for payroll
5 taxes; further providing for limitations on rates of specific
6 taxes and for the appointment of a single collector of taxes;
7 further providing for the applicability of petitions under
8 the act of July 10, 1987 (P.L.246, No.47), known as the
9 Municipalities Financial Recovery Act; and making a repeal,"
10 is repealed.

11 Section 14. This act shall take effect immediately.