

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1177 Session of  
2013

INTRODUCED BY LUCAS, MILLARD AND CALTAGIRONE, APRIL 15, 2013

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 30, 2014

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania  
2 Consolidated Statutes, further providing for initiative of  
3 electors seeking consolidation or merger with new home rule  
4 charter-; PROVIDING FOR A HOTEL ROOM RENTAL TAX IN CERTAIN <--  
5 THIRD CLASS COUNTIES; FURTHER PROVIDING FOR INVESTMENT <--  
6 AUTHORITY FUNDS; PROVIDING FOR AUTHORIZATION OF A HOTEL TAX  
7 IN CERTAIN COUNTIES OF THE FOURTH CLASS, FOR SECOND CLASS  
8 TOWNSHIP HOTEL ROOM RENTAL TAX AND FOR LOCAL OPTION CIGARETTE  
9 TAX IN SCHOOL DISTRICTS OF THE FIRST CLASS AND FOR LOCAL  
10 SALES TAX REVENUES IN CITIES OF THE FIRST CLASS; AND MAKING  
11 AN EDITORIAL CHANGE.

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

14 Section 1. Section ~~735.1(e)~~ 735.1(A), (C), (d)(3), (e)(3), <--  
15 (g)(1) and (1)(6) and (7) of Title 53 of the Pennsylvania  
16 Consolidated Statutes are amended and subsection (1) is amended  
17 by adding a paragraph to read:

18 § 735.1. Initiative of electors seeking consolidation or merger  
19 with new home rule charter.

20 (A) GENERAL RULE.--IN ORDER FOR A COMMISSION AND <--  
21 CONSOLIDATION OR MERGER PROCEEDINGS TO BE INITIATED BY PETITION  
22 OF ELECTORS, PETITIONS CONTAINING SIGNATURES OF AT LEAST 5% OF

1 THE NUMBER OF ELECTORS VOTING FOR THE OFFICE OF GOVERNOR IN THE  
2 LAST GUBERNATORIAL GENERAL ELECTION IN EACH MUNICIPALITY  
3 PROPOSED TO BE CONSOLIDATED OR MERGED SHALL BE FILED WITH THE  
4 COUNTY BOARD OF ELECTIONS OF THE COUNTY IN WHICH THE  
5 MUNICIPALITY, OR THE GREATER PORTION OF ITS TERRITORY, IS  
6 LOCATED. THE PETITION SHALL SET FORTH:

7 (1) THE NAME OF THE MUNICIPALITY FROM WHICH THE SIGNERS  
8 OF THE PETITION WERE OBTAINED.

9 (2) THE NAMES OF THE MUNICIPALITIES PROPOSED TO BE  
10 CONSOLIDATED OR MERGED.

11 (3) AN ESTIMATED COST OF THE STUDY COMMISSION.

12 (4) THE NUMBER OF PERSONS TO COMPOSE THE COMMISSION.

13 (5) THE PETITION QUESTION WHICH SHALL READ AS FOLLOWS:

14 SHALL A GOVERNMENT STUDY COMMISSION OF (SEVEN, NINE  
15 OR ELEVEN) MEMBERS BE ELECTED TO STUDY THE ISSUE OF  
16 CONSOLIDATION OR MERGER OF (MUNICIPALITIES TO BE  
17 CONSOLIDATED OR MERGED); TO PROVIDE A RECOMMENDATION  
18 ON CONSOLIDATION OR MERGER; TO CONSIDER THE  
19 ADVISABILITY OF THE ADOPTION OF A NEW HOME RULE  
20 CHARTER; AND TO DRAFT A NEW HOME RULE CHARTER, IF  
21 RECOMMENDED IN THE REPORT OF THE COMMISSION?

22 (6) THE PETITION SHALL ALSO INCLUDE THE FOLLOWING  
23 STATEMENT:

24 ONLY MUNICIPALITIES VOTING IN THE AFFIRMATIVE ON THE  
25 QUESTION WILL BE HELD RESPONSIBLE FOR THE COSTS OF  
26 THE STUDY COMMISSION.

27 \* \* \*

28 [(c) Contents.--A petition shall set forth:

<--

29 (1) The name of the municipality from which the signers  
30 of the petition were obtained.

1 (2) The names of the municipalities proposed to be  
2 consolidated or merged.

3 ~~(2.1) An estimated cost of the study commission.~~ <--

4 (3) The number of persons to compose the commission.

5 (4) The petition question which shall read as follows:

6 Shall a Government Study Commission of (seven, nine  
7 or eleven) members be elected to study the issue of  
8 consolidation or merger of (municipalities to be  
9 consolidated or merged); to provide a recommendation  
10 on consolidation or merger; to consider the  
11 advisability of the adoption of a new home rule  
12 charter; and to draft a new home rule charter, if  
13 recommended in the report of the commission?]

14 ~~(5) The petition shall also include the following~~ <--

15 statement:

16 ~~Only municipalities voting in the affirmative on the~~  
17 ~~question will be held responsible for the costs of~~  
18 ~~the study commission.~~

19 (d) Filing of petition and duty of election board.--

20 \* \* \*

21 (3) At the next general, municipal or primary election  
22 occurring not less than the 13th Tuesday after the filing of  
23 the petition with the county board of elections, it shall  
24 cause the appropriate question and statement listed under  
25 ~~subsection (c) (4) and (5)~~ SUBSECTION (A) (5) AND (6) to be <--  
26 submitted to the electors of each of the municipalities  
27 proposed to be consolidated or merged in the same manner as  
28 other questions are submitted under the act of June 3, 1937  
29 (P.L.1333, No.320), known as the Pennsylvania Election Code.

30 (e) Election of members of commission.--

1 \* \* \*

2 (3) Each elector shall be instructed to vote on the  
3 question and, regardless of the manner of his vote on the  
4 question, to vote for the designated number of members of the  
5 commission who shall serve if the question is or has been  
6 determined in the affirmative by the majority of the whole of  
7 those voting in all the municipalities impacted by the  
8 consolidation or merger.

9 \* \* \*

10 (g) Results of election.--

11 (1) The result of the votes cast for and against the  
12 question as to the election of a commission and consolidation  
13 and merger proceedings shall be returned by the election  
14 officers, and a canvass of the election had, as is provided  
15 by law in the case of other public questions put to the  
16 electors. The votes cast for members of the commission shall  
17 be counted and the result returned by the county board of  
18 electors of the county in which the municipality, or the  
19 greater portion of its territory, is located, and a canvass  
20 of the election had, as is provided by law in the case of  
21 election of members of municipal councils or boards. If a  
22 majority of the whole in the municipalities proposed to be  
23 consolidated or merged vote in the affirmative on the  
24 question, then the commission shall be formed to study the  
25 issue of consolidation or merger and to make recommendations  
26 as set forth in the question. The designated number of  
27 candidates receiving the greatest number of votes shall be  
28 elected and shall constitute the commission. If a majority of  
29 [those] the whole in the municipalities voting on the  
30 question vote against the election of the commission, none of

1 the candidates shall be elected. If two or more candidates  
2 for the last seat shall be equal in number of votes, they  
3 shall draw lots to determine which one shall be elected.

4 \* \* \*

5 (1) Compensation, personnel and commission budget.--

6 \* \* \*

7 (6) No later than 15 days after the submission of a  
8 budget in accordance with paragraphs (4) or (5), a joint  
9 public hearing of the commission and the governing bodies of  
10 the municipalities shall be held. The governing bodies of the  
11 municipalities to be consolidated or merged may, by  
12 agreement, modify any budget submitted by the commission. A  
13 governing body of a municipality to be consolidated or merged  
14 may approve appropriations to the commission in conformity  
15 with its share of the modified budget as determined in  
16 accordance with paragraph (7) or (7.1). Any unreasonable  
17 modification of the budget may be subject to an action as  
18 provided in paragraph (8) in the court of common pleas of any  
19 county wherein a municipality to be consolidated or merged  
20 lies.

21 (7) [The] If a majority in each of the municipalities to  
22 be consolidated or merged vote in favor of establishing a  
23 commission, the municipalities [to be consolidated or merged]  
24 may, by agreement, determine the share that each municipality  
25 shall appropriate to fund the estimated budget of the  
26 commission. If no agreement as to the respective amount that  
27 each municipality shall appropriate is reached, each  
28 municipality shall appropriate funds equal to its pro rata  
29 share of the total estimated budget of the commission based  
30 upon its share of population to the total population of the

1 municipalities to be consolidated or merged.

2 (7.1) When a commission is formed to study consolidation  
3 or merger by a vote of the whole in the municipalities  
4 considering the question, the municipalities that vote in the  
5 affirmative shall be responsible for funding the budget of  
6 the commission. Any municipalities that vote in the negative  
7 on the question shall not be responsible for the budget costs  
8 of the commission.

9 \* \* \*

10 SECTION 2. SECTION 5611(D) OF TITLE 53 IS AMENDED BY ADDING <--  
11 A PARAGRAPH TO READ:

12 § 5611. INVESTMENT OF AUTHORITY FUNDS.

13 \* \* \*

14 (D) TYPES.--AUTHORIZED TYPES OF INVESTMENTS FOR AUTHORITY  
15 FUNDS SHALL BE:

16 \* \* \*

17 (7) COMMERCIAL PAPER RATED IN THE HIGHEST RATING  
18 CATEGORY, WITHOUT REFERENCE TO A SUBCATEGORY, BY A RATING  
19 AGENCY. THIS PARAGRAPH SHALL ONLY APPLY TO AN AIRPORT  
20 AUTHORITY BOARD IN A COUNTY OF THE SECOND CLASS.

21 \* \* \*

22 SECTION ~~2~~ 3. THE HEADING OF SECTION 8721 OF TITLE 53 IS <--  
23 AMENDED TO READ:

24 § 8721. HOTEL ROOM RENTAL IN CERTAIN COUNTIES OF THE SECOND <--  
25 CLASS AND SECOND CLASS A.

26 \* \* \*

27 SECTION ~~3~~ 4. TITLE 53 IS AMENDED BY ADDING ~~A SECTION~~ <--  
28 SECTIONS TO READ:

29 § 8722. HOTEL ROOM RENTAL TAX IN CERTAIN THIRD CLASS COUNTIES.

30 (A) GENERAL RULE.--A COUNTY MAY, BY ORDINANCE, IMPOSE A TAX

1 WHICH SHALL BE KNOWN AS A HOTEL ROOM RENTAL TAX ON THE  
2 CONSIDERATION RECEIVED BY EACH OPERATOR OF A HOTEL WITHIN THE  
3 COUNTY FROM EACH TRANSACTION OF RENTING A ROOM OR ROOMS TO  
4 ACCOMMODATE TRANSIENTS. THE TAX SHALL BE COLLECTED BY THE  
5 OPERATOR FROM THE PATRON OF THE ROOM AND PAID OVER TO THE COUNTY  
6 WHERE THE HOTEL IS LOCATED AS PROVIDED UNDER THIS SECTION.

7 (B) RATE.--THE RATE OF THE TAX IMPOSED UNDER THIS SECTION  
8 SHALL NOT EXCEED 5%.

9 (C) COLLECTION.--THE TREASURER OF EACH COUNTY ELECTING TO  
10 IMPOSE THE TAX AUTHORIZED UNDER THIS SECTION SHALL COLLECT THE  
11 TAX AND DEPOSIT THE REVENUES RECEIVED FROM THE TAX IN A SPECIAL  
12 FUND ESTABLISHED FOR THAT PURPOSE. SUBSEQUENT TO THE DEDUCTION  
13 FOR ADMINISTRATIVE COSTS ESTABLISHED IN SUBSECTION (F), THE  
14 COUNTY SHALL DISTRIBUTE TO THE RECOGNIZED TOURIST PROMOTION  
15 AGENCY ALL REVENUES RECEIVED FROM THE TAX NOT LATER THAN 60 DAYS  
16 AFTER RECEIPT OF THE TAX REVENUES. THE REVENUES FROM THE SPECIAL  
17 FUND SHALL BE USED BY THE RECOGNIZED TOURIST PROMOTION AGENCY  
18 FOR ANY OR ALL OF THE FOLLOWING PURPOSES:

19 (1) CONVENTION PROMOTION.

20 (2) MARKETING THE AREA SERVED BY THE AGENCY AS A LEISURE  
21 TRAVEL DESTINATION.

22 (3) MARKETING THE AREA SERVED BY THE AGENCY AS A  
23 BUSINESS TRAVEL DESTINATION.

24 (4) USING ALL APPROPRIATE MARKETING TOOLS TO ACCOMPLISH  
25 THESE PURPOSES, INCLUDING, BUT NOT LIMITED TO, ADVERTISING,  
26 PUBLICITY, PUBLICATIONS, DIRECT MARKETING, DIRECT SALES AND  
27 PARTICIPATION IN INDUSTRY TRADE SHOWS.

28 (5) PROJECTS OR PROGRAMS THAT ARE DIRECTLY AND  
29 SUBSTANTIALLY RELATED TO TOURISM WITHIN THE COUNTY, AUGMENT  
30 AND DO NOT UNDULY COMPETE WITH PRIVATE SECTOR TOURISM EFFORTS

1 AND IMPROVE AND EXPAND THE COUNTY AS A DESTINATION MARKET.

2 (6) ANY OTHER TOURISM MARKETING OR PROMOTION PROGRAM  
3 DEEMED NECESSARY BY THE RECOGNIZED TOURIST PROMOTION AGENCY.

4 (D) TAX YEAR.--EACH TAX YEAR FOR ANY TAX IMPOSED UNDER THIS  
5 SECTION SHALL RUN CONCURRENTLY WITH THE COUNTY'S FISCAL YEAR.

6 (E) REPORT.--AN AUDITED REPORT ON THE INCOME AND  
7 EXPENDITURES INCURRED BY A RECOGNIZED TOURIST PROMOTION AGENCY  
8 RECEIVING ANY REVENUES FROM THE TAX AUTHORIZED UNDER THIS  
9 SECTION SHALL BE SUBMITTED ANNUALLY BY THE RECOGNIZED TOURIST  
10 PROMOTION AGENCY TO THE COUNTY COMMISSIONERS.

11 (F) ADMINISTRATIVE FEE.--FOR THE PURPOSES OF DEFRAYING COSTS  
12 ASSOCIATED WITH THE COLLECTION OF THE TAX IMPOSED UNDER THIS  
13 SECTION AND OTHERWISE PERFORMING ITS OBLIGATIONS UNDER THIS  
14 SECTION, A COUNTY IS HEREBY AUTHORIZED TO DEDUCT AND RETAIN AN  
15 ADMINISTRATIVE FEE FROM THE TAXES COLLECTED HEREUNDER. SUCH  
16 ADMINISTRATIVE FEE SHALL BE ESTABLISHED BY THE COUNTY BUT SHALL  
17 NOT EXCEED IN ANY TAX YEAR THE LESSER OF:

18 (1) TWO PERCENT OF ALL TAXES COLLECTED UNDER THIS  
19 SECTION; OR

20 (2) FIFTY THOUSAND DOLLARS, WHICH AMOUNT SHALL BE  
21 ADJUSTED ANNUALLY, BEGINNING ONE YEAR AFTER THE DATE OF  
22 ENACTMENT, BY THE THE PERCENTAGE GROWTH IN THE CONSUMER PRICE  
23 INDEX FOR ALL URBAN CONSUMERS AS DETERMINED BY THE UNITED  
24 STATES DEPARTMENT OF LABOR.

25 (G) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
26 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
27 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

28 "CONSIDERATION." RECEIPTS, FEES, CHARGES, RENTALS, LEASES,  
29 CASH, CREDITS, PROPERTY OF ANY KIND OR NATURE OR OTHER PAYMENT  
30 RECEIVED BY OPERATORS IN EXCHANGE FOR OR IN CONSIDERATION OF THE



1 USE OR OCCUPANCY BY A TRANSIENT OF A ROOM OR ROOMS IN A HOTEL  
2 FOR A TEMPORARY PERIOD.

3 "COUNTY." ANY COUNTY OF THE THIRD CLASS HAVING A POPULATION  
4 UNDER THE 2010 MOST RECENT FEDERAL DECENNIAL CENSUS IN EXCESS OF <--  
5 430,000 RESIDENTS BUT LESS THAN 440,000 RESIDENTS.

6 "HOTEL." A HOTEL, MOTEL, INN, GUESTHOUSE OR OTHER STRUCTURE  
7 WHICH HOLDS ITSELF OUT BY ANY MEANS, INCLUDING ADVERTISING,  
8 LICENSE, REGISTRATION WITH AN INNKEEPERS' GROUP, CONVENTION  
9 LISTING ASSOCIATION, TRAVEL PUBLICATION OR SIMILAR ASSOCIATION  
10 OR WITH A GOVERNMENT AGENCY, AS BEING AVAILABLE TO PROVIDE  
11 OVERNIGHT LODGING FOR CONSIDERATION TO PERSONS SEEKING TEMPORARY  
12 ACCOMMODATION; ANY PLACE WHICH ADVERTISES TO THE PUBLIC AT LARGE  
13 OR ANY SEGMENT THEREOF THAT IT WILL PROVIDE BEDS, SANITARY  
14 FACILITIES OR OTHER SPACE FOR A TEMPORARY PERIOD TO MEMBERS OF  
15 THE PUBLIC AT LARGE; OR ANY PLACE RECOGNIZED AS A HOSTELRY. THE  
16 TERM DOES NOT INCLUDE ANY PORTION OF A FACILITY THAT IS DEVOTED  
17 TO PERSONS WHO HAVE AN ESTABLISHED PERMANENT RESIDENCE OR A  
18 COLLEGE OR UNIVERSITY STUDENT RESIDENCE HALL OR ANY PRIVATE  
19 CAMPGROUND OR ANY CABINS, PUBLIC CAMPGROUNDS OR OTHER FACILITIES  
20 LOCATED ON STATE LAND.

21 "OPERATOR." ANY INDIVIDUAL, PARTNERSHIP, NONPROFIT OR  
22 PROFIT-MAKING ASSOCIATION OR CORPORATION OR OTHER PERSON OR  
23 GROUP OF PERSONS WHO MAINTAIN, OPERATE, MANAGE, OWN, HAVE  
24 CUSTODY OF OR OTHERWISE POSSESS THE RIGHT TO RENT OR LEASE  
25 OVERNIGHT ACCOMMODATIONS IN A BUILDING TO THE PUBLIC FOR  
26 CONSIDERATION.

27 "PATRON." ANY PERSON WHO PAYS THE CONSIDERATION FOR THE  
28 OCCUPANCY OF A ROOM OR ROOMS IN A HOTEL.

29 "PERMANENT RESIDENT." ANY PERSON WHO HAS OCCUPIED OR HAS THE  
30 RIGHT TO OCCUPY A ROOM OR ROOMS IN A HOTEL AS A PATRON OR

1 OTHERWISE FOR A PERIOD EXCEEDING 30 CONSECUTIVE DAYS.

2 "RECOGNIZED TOURIST PROMOTION AGENCY." THE NONPROFIT  
3 CORPORATION, ORGANIZATION, ASSOCIATION OR AGENCY WHICH IS  
4 ENGAGED IN PLANNING AND PROMOTING PROGRAMS DESIGNED TO STIMULATE  
5 AND INCREASE THE VOLUME OF TOURIST, VISITOR AND VACATION  
6 BUSINESS WITHIN COUNTIES SERVED BY THE AGENCY AS THAT TERM IS  
7 PROVIDED UNDER THE ACT OF JULY 4, 2008 (P.L.621, NO.50), KNOWN  
8 AS THE TOURISM PROMOTION ACT.

9 "ROOM." A SPACE IN A BUILDING SET ASIDE FOR USE AND  
10 OCCUPANCY BY PATRONS, OR OTHERWISE, FOR CONSIDERATION, HAVING AT  
11 LEAST ONE BED OR OTHER SLEEPING ACCOMMODATIONS PROVIDED.

12 "TEMPORARY RESIDENT." ANY PERSON WHO HAS OCCUPIED OR HAS THE  
13 RIGHT TO OCCUPY A ROOM OR ROOMS IN A HOTEL AS A PATRON OR  
14 OTHERWISE FOR A PERIOD OF TIME NOT EXCEEDING 30 CONSECUTIVE  
15 DAYS.

16 "TRANSACTION." THE ACTIVITY INVOLVING THE OBTAINING BY A  
17 TRANSIENT OR PATRON OF THE USE OR OCCUPANCY OF A HOTEL ROOM FROM  
18 WHICH CONSIDERATION EMANATES TO THE OPERATOR UNDER AN EXPRESSED  
19 OR IMPLIED CONTRACT.

20 "TRANSIENT." ANY PERSON WHO OBTAINS AN ACCOMMODATION IN ANY  
21 HOTEL FOR THE PERSON BY MEANS OF REGISTERING AT THE FACILITY FOR  
22 THE TEMPORARY OCCUPANCY OF A ROOM FOR THE PERSONAL USE OF THAT  
23 PERSON BY PAYING TO THE OPERATOR OF THE FACILITY A FEE IN  
24 CONSIDERATION THEREFOR.

25 ~~SECTION 2 4. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.~~ <--

26 § 8723. HOTEL ROOM RENTAL TAX IN FOURTH CLASS COUNTIES WITH A <--  
27 POPULATION BETWEEN 149,000 AND 152,000 RESIDENTS.

28 (A) AUTHORIZATION--THE COUNTY COMMISSIONERS OF ANY COUNTY OF  
29 THE FOURTH CLASS HAVING A POPULATION UNDER THE MOST RECENT  
30 FEDERAL DECENNIAL CENSUS IN EXCESS OF 149,000 RESIDENTS, BUT

1 LESS THAN 152,000 RESIDENTS, MAY IMPOSE A HOTEL TAX NOT TO  
2 EXCEED 5% OF THE CONSIDERATION RECEIVED BY EACH OPERATOR OF A  
3 HOTEL WITHIN THE COUNTY FROM EACH TRANSACTION OF RENTING A ROOM  
4 OR ROOMS TO TRANSIENTS. THE TAX SHALL BE COLLECTED BY THE  
5 OPERATOR FROM THE PATRON OF THE ROOM OR ROOMS AND PAID OVER TO  
6 THE COUNTY AS PROVIDED UNDER THIS SECTION.

7 (B) RECORDS.--THE PROVISIONS OF SUBSECTION (C)  
8 NOTWITHSTANDING, COUNTY COMMISSIONERS MAY BY ORDINANCE IMPOSE  
9 REQUIREMENTS FOR KEEPING OF RECORDS, THE FILING OF TAX RETURNS  
10 AND THE TIME AND MANNER OF COLLECTION AND PAYMENT OF TAX. THE  
11 COUNTY COMMISSIONERS MAY ALSO IMPOSE BY ORDINANCE PENALTIES AND  
12 INTEREST FOR FAILURE TO COMPLY WITH RECORDKEEPING, FILING,  
13 COLLECTION AND PAYMENT REQUIREMENTS.

14 (C) AUDIT.--EACH OPERATOR OF A HOTEL WITHIN A COUNTY THAT  
15 IMPOSES THE TAX AUTHORIZED UNDER THIS SECTION SHALL SUBMIT TO AN  
16 AUDIT OF HOTEL TAX REVENUE. THE AUDIT SHALL BE CONDUCTED BY THE  
17 COUNTY COMMISSIONERS AND SHALL CONSIST, AT A MINIMUM, OF  
18 DETERMINING THE TOTAL AMOUNT OF CONSIDERATION RECEIVED BY THE  
19 OPERATOR FROM TRANSACTIONS OF RENTING A ROOM OR ROOMS TO  
20 TRANSIENTS DURING THE PERIOD BEING AUDITED AND THE TOTAL AMOUNT  
21 OF HOTEL TAX REVENUE COLLECTED. THE COUNTY COMMISSIONERS OR  
22 THEIR DULY AUTHORIZED AGENTS SHALL CONDUCT AT LEAST ONE AUDIT  
23 ANNUALLY AND SHALL BEAR THE COSTS OF THE AUDIT.

24 (D) (RESERVED).

25 (E) COLLECTION, DEPOSIT AND DISPOSITION.--THE TREASURER OF  
26 EACH COUNTY THAT IMPOSES THE TAX AUTHORIZED UNDER THIS SECTION  
27 SHALL COLLECT THE TAX AND DEPOSIT THE REVENUES RECEIVED FROM THE  
28 TAX IN A SPECIAL FUND ESTABLISHED FOR THAT PURPOSE. SUBJECT TO  
29 THE DEDUCTION OF THE ADMINISTRATIVE FEE AUTHORIZED BY SUBSECTION  
30 (H), THE DISPOSITION OF THE REVENUES FROM THE SPECIAL FUND SHALL

1 BE AS FOLLOWS:

2 (1) SEVENTY-FIVE PERCENT OF ALL REVENUES RECEIVED PER  
3 ANNUM SHALL BE USED BY THE COUNTY'S RECOGNIZED TPA FOR THE  
4 PROMOTION, ADVERTISING AND MARKETING OF TOURISM AND SPECIAL  
5 EVENTS AND FOR ADMINISTRATIVE COSTS.

6 (2) TWENTY-FIVE PERCENT OF ALL REVENUES RECEIVED PER  
7 ANNUM SHALL BE DISTRIBUTED AS FOLLOWS:

8 (I) FIFTY PERCENT SHALL BE USED BY THE COUNTY  
9 COMMISSIONERS FOR THE PURPOSES OF ECONOMIC DEVELOPMENT,  
10 HISTORIC PRESERVATION AND THE ARTS. THE COUNTY  
11 COMMISSIONERS SHALL USE 10% OF THE FUNDS RECEIVED UNDER  
12 THIS SUBPARAGRAPH FOR GRANTS TO MUNICIPALITIES THAT EACH  
13 HAVE AT LEAST 20,000 RESIDENTS.

14 (II) FIFTY PERCENT SHALL BE USED BY THE COUNTY  
15 COMMISSIONERS FOR GRANTS TO MUNICIPALITIES THAT:

16 (A) HAVE A MUNICIPAL POLICE DEPARTMENT EMPLOYING  
17 AT LEAST TWO FULL-TIME POLICE OFFICERS ASSIGNED TO  
18 LAW ENFORCEMENT DUTIES WHO WORK A MINIMUM OF 200 DAYS  
19 PER YEAR; OR

20 (B) ARE A MEMBER OF A REGIONAL POLICE DEPARTMENT  
21 THAT PROVIDES FULL-TIME POLICE SERVICES TO THE  
22 MUNICIPALITY PURSUANT TO AN AGREEMENT OR CONTRACT.

23 (III) MUNICIPALITIES RECEIVING GRANTS UNDER  
24 SUBPARAGRAPH (II) MUST MEET OR HAVE MET THE ELIGIBILITY  
25 REQUIREMENTS UNDER SUBPARAGRAPH (II) (A) OR (B) FOR A  
26 MINIMUM OF TWO YEARS PRIOR TO RECEIVING THE GRANT.

27 (F) GRANTS.--GRANTS UNDER SUBSECTION (E) (2) (II) SHALL BE  
28 DISTRIBUTED TO MUNICIPALITIES IN PROPORTION TO THE NUMBER OF  
29 HOTEL ROOMS WITHIN THE MUNICIPALITY AS A PERCENTAGE OF THE TOTAL  
30 NUMBER OF HOTEL ROOMS IN MUNICIPALITIES WITH POLICE DEPARTMENTS

1 UNDER SUBSECTION (E) (2) (II) AS COMPILED BY THE RECOGNIZED TPA  
2 AND CERTIFIED BY THE COUNTY COMMISSIONERS. GRANTS SHALL BE USED  
3 FOR POLICE AND LAW ENFORCEMENT PURPOSES. ANY PORTION OF A GRANT  
4 NOT USED FOR POLICE AND LAW ENFORCEMENT PURPOSES SHALL BE  
5 RETURNED TO THE COUNTY FOR THE PURPOSES OF SUBSECTION (D) (2) (I).

6 (G) TAX YEAR.--THE TAX YEAR FOR A TAX IMPOSED UNDER THIS  
7 SECTION SHALL RUN CONCURRENTLY WITH THE CALENDAR YEAR.

8 (H) AUDITED REPORT.--AN AUDITED REPORT ON THE INCOME AND  
9 EXPENDITURES INCURRED BY A TPA RECEIVING ANY REVENUES FROM THE  
10 TAX AUTHORIZED UNDER THIS SECTION SHALL BE SUBMITTED ANNUALLY BY  
11 THE TPA TO THE COUNTY COMMISSIONERS.

12 (I) ADMINISTRATIVE FEE.--THE COUNTY MAY DEDUCT AND RETAIN AN  
13 ADMINISTRATIVE FEE FROM THE TAXES COLLECTED UNDER THIS SECTION.  
14 THE ADMINISTRATIVE FEE ESTABLISHED BY THE COUNTY MAY NOT EXCEED  
15 IN ANY TAX YEAR THE LESSER OF:

16 (1) FOUR AND ONE-HALF PERCENT OF ALL TAXES COLLECTED  
17 UNDER THIS SECTION; OR

18 (2) NINETY-FIVE THOUSAND DOLLARS, WHICH AMOUNT SHALL BE  
19 ADJUSTED BIANNUALLY, BEGINNING TWO YEARS AFTER THE EFFECTIVE  
20 DATE OF THIS SUBSECTION, BY THE PERCENTAGE GROWTH IN THE  
21 CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS.

22 (J) USE OF FEE.--REVENUE COLLECTED FROM THE FEE IMPOSED  
23 UNDER SUBSECTION (I) SHALL BE USED FOR THE FOLLOWING PURPOSES:

24 (1) DEFRAYING THE COSTS ASSOCIATED WITH THE COLLECTION  
25 AND ADMINISTRATION OF THE TAX.

26 (2) DEFRAYING THE COSTS OF THE AUDIT REQUIRED UNDER  
27 SUBSECTION (C).

28 (K) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
29 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
30 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

1 "CONSIDERATION." RECEIPTS, FEES, CHARGES, RENTALS, LEASES,  
2 CASH, CREDITS, PROPERTY OF ANY KIND OR NATURE, OR OTHER PAYMENT  
3 RECEIVED BY OPERATORS IN EXCHANGE FOR OR IN CONSIDERATION OF THE  
4 USE OR OCCUPANCY BY A TRANSIENT OF A ROOM OR ROOMS IN A HOTEL  
5 FOR ANY TEMPORARY PERIOD.

6 "HOTEL." A HOTEL, MOTEL, INN, GUEST HOUSE OR OTHER STRUCTURE  
7 WHICH HOLDS ITSELF OUT BY ANY MEANS, INCLUDING ADVERTISING,  
8 LICENSE, REGISTRATION WITH AN INNKEEPERS' GROUP, CONVENTION  
9 LISTING ASSOCIATION, TRAVEL PUBLICATION OR SIMILAR ASSOCIATION  
10 OR WITH A GOVERNMENT AGENCY, AS BEING AVAILABLE TO PROVIDE  
11 OVERNIGHT LODGING OR USE OF FACILITY SPACE FOR CONSIDERATION TO  
12 PERSONS SEEKING TEMPORARY ACCOMMODATION; ANY PLACE WHICH  
13 ADVERTISES TO THE PUBLIC AT LARGE OR ANY SEGMENT THEREOF THAT IT  
14 WILL PROVIDE BEDS, SANITARY FACILITIES OR OTHER SPACE FOR A  
15 TEMPORARY PERIOD TO MEMBERS OF THE PUBLIC AT LARGE; OR ANY PLACE  
16 RECOGNIZED AS A HOSTELRY. THE TERM DOES NOT INCLUDE ANY PORTION  
17 OF A FACILITY THAT IS DEVOTED TO PERSONS WHO HAVE AN ESTABLISHED  
18 PERMANENT RESIDENCE OR A COLLEGE OR UNIVERSITY STUDENT RESIDENCE  
19 HALL.

20 "OCCUPANCY." THE USE OR POSSESSION OR THE RIGHT TO THE USE  
21 OR POSSESSION BY ANY PERSON OTHER THAN A PERMANENT RESIDENT OF  
22 ANY ROOM IN A HOTEL FOR ANY PURPOSE OR THE RIGHT TO THE USE OR  
23 POSSESSION OF THE FURNISHINGS OR TO THE SERVICES ACCOMPANYING  
24 THE USE AND POSSESSION OF THE ROOM.

25 "OPERATOR." AN INDIVIDUAL, PARTNERSHIP, NONPROFIT OR PROFIT-  
26 MAKING ASSOCIATION OR CORPORATION OR OTHER PERSON OR GROUP OF  
27 PERSONS WHO MAINTAIN, OPERATE, MANAGE, OWN, HAVE CUSTODY OF OR  
28 OTHERWISE POSSESS THE RIGHT TO RENT OR LEASE OVERNIGHT  
29 ACCOMMODATIONS IN A HOTEL TO THE PUBLIC FOR CONSIDERATION.

30 "PATRON." A PERSON WHO PAYS THE CONSIDERATION FOR THE

1 OCCUPANCY OF A ROOM OR ROOMS IN A HOTEL.

2 "PERMANENT RESIDENT." A PERSON WHO HAS OCCUPIED OR HAS THE  
3 RIGHT TO OCCUPANCY OF A ROOM OR ROOMS IN A HOTEL AS A PATRON OR  
4 OTHERWISE FOR A PERIOD EXCEEDING THIRTY CONSECUTIVE DAYS.

5 "ROOM." A SPACE IN A HOTEL SET ASIDE FOR USE AND OCCUPANCY  
6 BY PATRONS, OR OTHERWISE, FOR CONSIDERATION, HAVING AT LEAST ONE  
7 BED OR OTHER SLEEPING ACCOMMODATION IN A ROOM OR GROUP OF ROOMS.

8 "TOURIST PROMOTION AGENCY (TPA)." AN ORGANIZATION, AGENCY OR  
9 CORPORATION DESIGNATED TO BE SUCH BY THE BOARD OF COMMISSIONERS  
10 AS OF JANUARY 1, 2000, OF THE COUNTY IN WHICH THE TAX IS  
11 IMPOSED. THE TPA SHALL BE DULY ESTABLISHED, DESIGNATED AND  
12 RECOGNIZED AS THE COUNTY'S TPA IN ACCORDANCE WITH AND PURSUANT  
13 TO THE ACT OF JULY 4, 2008 (P.L.621, NO.50), KNOWN AS THE  
14 "TOURISM PROMOTION ACT."

15 "TRANSACTION." THE ACTIVITY INVOLVING THE OBTAINING BY A  
16 TRANSIENT OR PATRON OF THE USE OR OCCUPANCY OF A HOTEL ROOM FROM  
17 WHICH CONSIDERATION IS PAYABLE TO THE OPERATOR UNDER AN EXPRESS  
18 OR AN IMPLIED CONTRACT.

19 "TRANSIENT." AN INDIVIDUAL WHO OBTAINS ACCOMMODATION IN A  
20 HOTEL BY MEANS OF REGISTERING AT THE FACILITY FOR THE TEMPORARY  
21 OCCUPANCY OF A ROOM FOR THE PERSONAL USE OF THE INDIVIDUAL BY  
22 PAYING A FEE TO THE OPERATOR.

23 § 8724. HOTEL ROOM RENTAL TAX IN SECOND CLASS TOWNSHIP.--

24 (A) TAX.--NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
25 CONTRARY, THE GOVERNING BODY OF A TOWNSHIP OF THE SECOND CLASS  
26 WITH A POPULATION OF MORE THAN 60,000 AND LESS THAN 61,000 BASED  
27 ON THE MOST RECENT FEDERAL DECENNIAL CENSUS, AND WHICH IS  
28 LOCATED WITHIN A COUNTY OF THE SECOND CLASS A, MAY IMPOSE AN  
29 EXCISE TAX ON THE CONSIDERATION RECEIVED BY EACH OPERATOR OF A  
30 HOTEL FROM EACH TRANSACTION OF RENTING A ROOM TO ACCOMMODATE A

1 TRANSIENT. IF LEVIED, THE TAX SHALL BE COLLECTED BY THE OPERATOR  
2 FROM THE PATRON OF THE ROOM AND PAID OVER TO THE TOWNSHIP AND  
3 SHALL BE KNOWN AS THE SECOND CLASS TOWNSHIP HOTEL ROOM RENTAL  
4 TAX.

5 (B) RATE.--THE RATE OF THE TAX IMPOSED UNDER THIS SECTION  
6 SHALL NOT EXCEED 3%.

7 (C) IMPORTATION.--A TOWNSHIP ELECTING TO IMPOSE THE TAX  
8 SHALL BY ORDINANCE OR RESOLUTION PROVIDE FOR THE CREATION OR  
9 DESIGNATION OF A POLITICAL SUBDIVISION, PUBLIC EMPLOYEE, TAX  
10 BUREAU OR PUBLIC OR PRIVATE AGENCY TO COLLECT THE TAX AND  
11 DEPOSIT THE REVENUES RECEIVED FROM THE TAX IN A SPECIAL FUND.  
12 THE REVENUES FROM THE SPECIAL FUND SHALL BE USED BY THE TOWNSHIP  
13 FOR THE PROVISION OF POLICE AND EMERGENCY SERVICES.

14 (D) YEAR.--EACH TAX YEAR WHEN A TAX IS IMPOSED UNDER THIS  
15 SECTION SHALL RUN CONCURRENTLY WITH THE TOWNSHIP'S FISCAL YEAR.

16 (E) LIMITATIONS.--SECTION 301.1(F)(3) OF THE ACT OF DECEMBER  
17 31, 1965 (P.L.1257, NO.511), KNOWN AS THE LOCAL TAX ENABLING  
18 ACT, SHALL NOT APPLY TO THE SECOND CLASS TOWNSHIP HOTEL ROOM  
19 RENTAL TAX IMPOSED UNDER THIS SECTION.

20 (F) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
21 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
22 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

23 "BED AND BREAKFAST" OR "HOMESTEAD." A PUBLIC ACCOMMODATION  
24 CONSISTING OF A PRIVATE RESIDENCE WHICH CONTAINS TEN OR FEWER  
25 BEDROOMS USED FOR PROVIDING OVERNIGHT ACCOMMODATIONS TO THE  
26 PUBLIC AND IN WHICH BREAKFAST IS THE ONLY MEAL SERVED AND THE  
27 CHARGE FOR BREAKFAST IS INCLUDED IN THE CHARGE FOR THE ROOM.

28 "CONSIDERATION." RECEIPTS, FEES, CHARGES, RENTALS, LEASES,  
29 CASH, CREDITS, PROPERTY OF ANY KIND OR NATURE OR OTHER PAYMENT  
30 RECEIVED BY AN OPERATOR IN EXCHANGE FOR OR IN CONSIDERATION OF



1 THE USE OR OCCUPANCY BY A TRANSIENT OF A ROOM IN A HOTEL FOR A  
2 TEMPORARY PERIOD.

3 "HOTEL." INCLUDES ANY OF THE FOLLOWING:

4 (1) HOTEL, MOTEL, BED AND BREAKFAST, HOMESTEAD, INN,  
5 GUEST HOUSE OR OTHER STRUCTURE WHICH HOLDS ITSELF OUT BY ANY  
6 MEANS, INCLUDING ADVERTISING, LICENSE, REGISTRATION WITH AN  
7 INNKEEPERS' GROUP, CONVENTION LISTING ASSOCIATION, TRAVEL  
8 PUBLICATION OR SIMILAR ASSOCIATION OR WITH A GOVERNMENT  
9 AGENCY, AS BEING AVAILABLE TO PROVIDE OVERNIGHT LODGING OR  
10 USE OF FACILITY SPACE FOR CONSIDERATION TO PERSONS SEEKING  
11 TEMPORARY ACCOMMODATION;

12 (2) ANY PLACE WHICH ADVERTISES TO THE PUBLIC AT LARGE OR  
13 ANY SEGMENT OF THE PUBLIC THAT IT WILL PROVIDE BEDS, SANITARY  
14 FACILITIES OR OTHER SPACE FOR A TEMPORARY PERIOD TO MEMBERS  
15 OF THE PUBLIC AT LARGE; OR

16 (3) ANY PLACE RECOGNIZED AS A HOSTELRY.

17 THE TERM DOES NOT INCLUDE ANY PORTION OF A FACILITY THAT IS  
18 DEVOTED TO PERSONS WHO HAVE AN ESTABLISHED PERMANENT RESIDENCE  
19 OR A COLLEGE OR UNIVERSITY STUDENT RESIDENCE HALL OR ANY PRIVATE  
20 CAMPGROUND OR ANY CABINS, PUBLIC CAMPGROUNDS OR OTHER FACILITIES  
21 LOCATED ON STATE LAND.

22 "OCCUPANCY." THE USE OR POSSESSION OR THE RIGHT TO THE USE  
23 OR POSSESSION BY ANY PERSON OTHER THAN A PERMANENT RESIDENT OF  
24 ANY ROOM IN A HOTEL FOR ANY PURPOSE OR THE RIGHT TO THE USE OR  
25 POSSESSION OF THE FURNISHINGS OR TO THE SERVICES ACCOMPANYING  
26 THE USE AND POSSESSION OF THE ROOM.

27 "OPERATOR." AN INDIVIDUAL, PARTNERSHIP, NONPROFIT OR PROFIT-  
28 MAKING ASSOCIATION OR CORPORATION OR OTHER PERSON OR GROUP OF  
29 PERSONS WHO MAINTAIN, OPERATE, MANAGE, OWN, HAVE CUSTODY OF OR  
30 OTHERWISE POSSESS THE RIGHT TO RENT OR LEASE OVERNIGHT

1 ACCOMMODATIONS IN A HOTEL TO THE PUBLIC FOR CONSIDERATION.

2 "PATRON." A PERSON WHO PAYS THE CONSIDERATION FOR THE  
3 OCCUPANCY OF A ROOM IN A HOTEL.

4 "PERMANENT RESIDENT." A PERSON WHO HAS OCCUPIED OR HAS THE  
5 RIGHT TO OCCUPANCY OF A ROOM IN A HOTEL AS A PATRON OR OTHERWISE  
6 FOR A PERIOD OF MORE THAN 30 CONSECUTIVE DAYS.

7 "ROOM." A SPACE IN A HOTEL SET ASIDE FOR USE AND OCCUPANCY  
8 BY PATRONS, OR OTHERWISE, FOR CONSIDERATION, HAVING AT LEAST ONE  
9 BED OR OTHER SLEEPING ACCOMMODATION IN A ROOM OR GROUP OF ROOMS.

10 "TRANSACTION." THE ACTIVITY INVOLVING THE OBTAINING BY A  
11 TRANSIENT OR PATRON OF THE USE OR OCCUPANCY OF A HOTEL ROOM FROM  
12 WHICH CONSIDERATION IS PAYABLE TO THE OPERATOR UNDER AN EXPRESS  
13 OR AN IMPLIED CONTRACT.

14 "TRANSIENT." AN INDIVIDUAL WHO OBTAINS ACCOMMODATION IN A  
15 HOTEL BY MEANS OF REGISTERING AT THE FACILITY FOR THE TEMPORARY  
16 OCCUPANCY OF A ROOM FOR THE PERSONAL USE OF THE INDIVIDUAL BY  
17 PAYING A FEE TO THE OPERATOR.

18 § 8725. HOTEL ROOM RENTAL TAX IN FOURTH CLASS COUNTIES WITH A  
19 POPULATION BETWEEN 148,000 AND 149,000 RESIDENTS.

20 (A) GENERAL RULE.--A COUNTY MAY, BY ORDINANCE, IMPOSE A TAX  
21 WHICH SHALL BE KNOWN AS A HOTEL ROOM RENTAL TAX ON THE  
22 CONSIDERATION RECEIVED BY EACH OPERATOR OF A HOTEL WITHIN THE  
23 COUNTY FROM EACH TRANSACTION OF RENTING A ROOM OR ROOMS TO  
24 ACCOMMODATE TRANSIENTS. THE TAX SHALL BE COLLECTED BY THE  
25 OPERATOR FROM THE PATRON OF THE ROOM AND PAID OVER TO THE COUNTY  
26 WHERE THE HOTEL IS LOCATED AS PROVIDED UNDER THIS SECTION.

27 (B) RATE.--THE RATE OF THE TAX IMPOSED UNDER THIS SECTION  
28 SHALL NOT EXCEED 2%, IN ADDITION TO THE TAX IMPOSED UNDER  
29 SECTION 1770.2 OF THE ACT OF AUGUST 9, 1955 (P.L.323, NO.130),  
30 KNOWN AS THE COUNTY CODE.

1     (C) COLLECTION.--THE TREASURER OF EACH COUNTY ELECTING TO  
2 IMPOSE THE TAX AUTHORIZED UNDER THIS SECTION SHALL COLLECT THE  
3 TAX AND DEPOSIT THE REVENUES RECEIVED FROM THE TAX IN A SPECIAL  
4 FUND ESTABLISHED FOR THAT PURPOSE. THE GOVERNING AUTHORITY SHALL  
5 DISTRIBUTE TO COUNTY PROGRAMS, BY RESOLUTION OR ORDINANCE, ALL  
6 REVENUES RECEIVED FROM THE TAX NOT LATER THAN 60 DAYS AFTER  
7 RECEIPT OF THE TAX REVENUES.

8     (D) TAX YEAR.--EACH TAX YEAR FOR ANY TAX IMPOSED UNDER THIS  
9 SECTION SHALL RUN CONCURRENTLY WITH THE COUNTY'S FISCAL YEAR.

10    (E) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
11 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
12 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

13     "CONSIDERATION." RECEIPTS, FEES, CHARGES, RENTALS, LEASES,  
14 CASH, CREDITS, PROPERTY OF ANY KIND OR NATURE OR OTHER PAYMENT  
15 RECEIVED BY OPERATORS IN EXCHANGE FOR OR IN CONSIDERATION OF THE  
16 USE OR OCCUPANCY BY A TRANSIENT OF A ROOM OR ROOMS IN A HOTEL  
17 FOR A TEMPORARY PERIOD.

18     "COUNTY." ANY COUNTY OF THE FOURTH CLASS HAVING A POPULATION  
19 UNDER THE MOST RECENT FEDERAL DECENNIAL CENSUS IN EXCESS OF  
20 148,000 RESIDENTS BUT LESS THAN 149,000 RESIDENTS.

21     "HOTEL." A HOTEL, MOTEL, INN, GUESTHOUSE OR OTHER STRUCTURE  
22 WHICH HOLDS ITSELF OUT BY ANY MEANS, INCLUDING ADVERTISING,  
23 LICENSE, REGISTRATION WITH AN INNKEEPERS' GROUP, CONVENTION  
24 LISTING ASSOCIATION, TRAVEL PUBLICATION OR SIMILAR ASSOCIATION  
25 OR WITH A GOVERNMENT AGENCY, AS BEING AVAILABLE TO PROVIDE  
26 OVERNIGHT LODGING FOR CONSIDERATION TO PERSONS SEEKING TEMPORARY  
27 ACCOMMODATION; ANY PLACE WHICH ADVERTISES TO THE PUBLIC AT LARGE  
28 OR ANY SEGMENT THEREOF THAT IT WILL PROVIDE BEDS, SANITARY  
29 FACILITIES OR OTHER SPACE FOR A TEMPORARY PERIOD TO MEMBERS OF  
30 THE PUBLIC AT LARGE; OR ANY PLACE RECOGNIZED AS A HOSTELRY. THE

1 TERM DOES NOT INCLUDE ANY PORTION OF A FACILITY THAT IS DEVOTED  
2 TO PERSONS WHO HAVE AN ESTABLISHED PERMANENT RESIDENCE OR A  
3 COLLEGE OR UNIVERSITY STUDENT RESIDENCE HALL OR ANY PRIVATE  
4 CAMPGROUND OR ANY CABINS, PUBLIC CAMPGROUNDS OR OTHER FACILITIES  
5 LOCATED ON STATE LAND.

6 "OPERATOR." ANY INDIVIDUAL, PARTNERSHIP, NONPROFIT OR  
7 PROFIT-MAKING ASSOCIATION OR CORPORATION OR OTHER PERSON OR  
8 GROUP OF PERSONS WHO MAINTAINS, OPERATES, MANAGES, OWNS, HAS  
9 CUSTODY OF OR OTHERWISE POSSESSES THE RIGHT TO RENT OR LEASES  
10 OVERNIGHT ACCOMMODATION IN A BUILDING TO THE PUBLIC FOR  
11 CONSIDERATION.

12 "PATRON." ANY PERSON WHO PAYS THE CONSIDERATION FOR THE  
13 OCCUPANCY OF A ROOM OR ROOMS IN A HOTEL.

14 "PERMANENT RESIDENT." ANY PERSON WHO HAS OCCUPIED OR HAS THE  
15 RIGHT TO OCCUPY A ROOM OR ROOMS IN A HOTEL AS A PATRON OTHERWISE  
16 FOR A PERIOD EXCEEDING 30 CONSECUTIVE DAYS.

17 "ROOM." A SPACE IN A BUILDING SET ASIDE FOR USE AND  
18 OCCUPANCY BY PATRONS, OR OTHERWISE, FOR CONSIDERATION, HAVING AT  
19 LEAST ONE BED OR OTHER SLEEPING ACCOMMODATIONS PROVIDED.

20 "TEMPORARY RESIDENT." ANY PERSON WHO HAS OCCUPIED OR HAS THE  
21 RIGHT TO OCCUPY A ROOM OR ROOMS IN A HOTEL AS A PATRON OTHERWISE  
22 FOR A PERIOD OF TIME NOT EXCEEDING 30 CONSECUTIVE DAYS.

23 "TRANSACTION." THE ACTIVITY INVOLVING THE OBTAINING BY A  
24 TRANSIENT OR PATRON OF THE USE OR OCCUPANCY OF A HOTEL ROOM FROM  
25 WHICH CONSIDERATION EMANATES TO THE OPERATOR UNDER AN EXPRESSED  
26 OR IMPLIED CONTRACT.

27 "TRANSIENT." ANY PERSON WHO OBTAINS AN ACCOMMODATION IN ANY  
28 HOTEL FOR THE PERSON BY MEANS OF REGISTERING AT THE FACILITY FOR  
29 THE TEMPORARY OCCUPANCY OF A ROOM FOR THE PERSONAL USE OF THAT  
30 PERSON BY PAYING TO THE OPERATOR OF THE FACILITY A FEE IN

1 CONSIDERATION THEREFOR.

2 § 8726. HOTEL ROOM RENTAL TAX IN FOURTH CLASS COUNTIES WITH A  
3 POPULATION BETWEEN 205,000 AND 210,000 RESIDENTS.

4 (A) GENERAL RULE.--A COUNTY MAY, BY ORDINANCE, IMPOSE A TAX  
5 WHICH SHALL BE KNOWN AS A HOTEL ROOM RENTAL TAX ON THE  
6 CONSIDERATION RECEIVED BY EACH OPERATOR OF A HOTEL WITHIN THE  
7 COUNTY FROM EACH TRANSACTION OF RENTING A ROOM OR ROOMS TO  
8 ACCOMMODATE TRANSIENTS. THE TAX SHALL BE COLLECTED BY THE  
9 OPERATOR FROM THE PATRON OF THE ROOM AND PAID OVER TO THE COUNTY  
10 WHERE THE HOTEL IS LOCATED AS PROVIDED UNDER THIS SECTION.

11 (B) RATE.--THE RATE OF THE TAX IMPOSED UNDER THIS SECTION  
12 SHALL NOT EXCEED 5%.

13 (C) COLLECTION.--THE TREASURER OF EACH COUNTY ELECTING TO  
14 IMPOSE THE TAX AUTHORIZED UNDER THIS SECTION SHALL COLLECT THE  
15 TAX AND DEPOSIT THE REVENUES RECEIVED FROM THE TAX IN A SPECIAL  
16 FUND ESTABLISHED FOR THAT PURPOSE. SUBSEQUENT TO THE DEDUCTION  
17 FOR ADMINISTRATIVE COSTS ESTABLISHED IN SUBSECTION (F), THE  
18 COUNTY SHALL DISTRIBUTE TO A RECOGNIZED TOURIST PROMOTION AGENCY  
19 FOR THE COUNTY ALL REVENUES RECEIVED FROM THE TAX NOT LATER THAN  
20 60 DAYS AFTER RECEIPT OF THE TAX REVENUES.

21 (D) TAX YEAR.--EACH TAX YEAR FOR ANY TAX IMPOSED UNDER THIS  
22 SECTION SHALL RUN CONCURRENTLY WITH THE COUNTY'S FISCAL YEAR.

23 (E) (RESERVED).

24 (F) ADMINISTRATIVE FEE.--FOR THE PURPOSES OF DEFRAYING COSTS  
25 ASSOCIATED WITH THE COLLECTION OF THE TAX IMPOSED UNDER THIS  
26 SECTION AND OTHERWISE PERFORMING ITS OBLIGATIONS UNDER THIS  
27 SECTION, A COUNTY IS HEREBY AUTHORIZED TO DEDUCT AND RETAIN AN  
28 ADMINISTRATIVE FEE FROM THE TAXES COLLECTED HEREUNDER. SUCH  
29 ADMINISTRATIVE FEE SHALL BE ESTABLISHED BY THE COUNTY BUT SHALL  
30 NOT EXCEED IN ANY TAX YEAR THE LESSER OF:

1           (1) TWO PERCENT OF ALL TAXES COLLECTED UNDER THIS  
2           SECTION; OR

3           (2) FIFTY THOUSAND DOLLARS, WHICH AMOUNT SHALL BE  
4           ADJUSTED ANNUALLY, BEGINNING ONE YEAR AFTER THE DATE OF  
5           ENACTMENT, BY THE THE PERCENTAGE GROWTH IN THE CONSUMER PRICE  
6           INDEX FOR ALL URBAN CONSUMERS AS DETERMINED BY THE UNITED  
7           STATES DEPARTMENT OF LABOR.

8           (G) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
9           WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS  
10           SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

11           "CONSIDERATION." RECEIPTS, FEES, CHARGES, RENTALS, LEASES,  
12           CASH, CREDITS, PROPERTY OF ANY KIND OR NATURE OR OTHER PAYMENT  
13           RECEIVED BY OPERATORS IN EXCHANGE FOR OR IN CONSIDERATION OF THE  
14           USE OR OCCUPANCY BY A TRANSIENT OF A ROOM OR ROOMS IN A HOTEL  
15           FOR A TEMPORARY PERIOD.

16           "COUNTY." ANY COUNTY OF THE FOURTH CLASS HAVING A POPULATION  
17           DURING THE MOST RECENT FEDERAL DECENNIAL CENSUS IN EXCESS OF  
18           205,000 RESIDENTS BUT LESS THAN 210,000 RESIDENTS.

19           "HOTEL." A HOTEL, MOTEL, INN, GUESTHOUSE OR OTHER STRUCTURE  
20           WHICH HOLDS ITSELF OUT BY ANY MEANS, INCLUDING ADVERTISING,  
21           LICENSE, REGISTRATION WITH AN INNKEEPERS' GROUP, CONVENTION  
22           LISTING ASSOCIATION, TRAVEL PUBLICATION OR SIMILAR ASSOCIATION  
23           OR WITH A GOVERNMENT AGENCY, AS BEING AVAILABLE TO PROVIDE  
24           OVERNIGHT LODGING FOR CONSIDERATION TO PERSONS SEEKING TEMPORARY  
25           ACCOMMODATION; ANY PLACE WHICH ADVERTISES TO THE PUBLIC AT LARGE  
26           OR ANY SEGMENT THEREOF THAT IT WILL PROVIDE BEDS, SANITARY  
27           FACILITIES OR OTHER SPACE FOR A TEMPORARY PERIOD TO MEMBERS OF  
28           THE PUBLIC AT LARGE; OR ANY PLACE RECOGNIZED AS A HOSTELRY. THE  
29           TERM DOES NOT INCLUDE A COLLEGE OR UNIVERSITY STUDENT RESIDENCE  
30           HALL OR ANY PRIVATE CAMPGROUND OR ANY CABINS, PUBLIC CAMPGROUNDS

1 OR OTHER FACILITIES LOCATED ON STATE LAND.

2 "OPERATOR." ANY INDIVIDUAL, PARTNERSHIP, NONPROFIT OR  
3 PROFIT-MAKING ASSOCIATION OR CORPORATION OR OTHER PERSON OR  
4 GROUP OF PERSONS WHO MAINTAIN, OPERATE, MANAGE, OWN, HAVE  
5 CUSTODY OF OR OTHERWISE POSSESS THE RIGHT TO RENT OR LEASE  
6 OVERNIGHT ACCOMMODATIONS IN A BUILDING TO THE PUBLIC FOR  
7 CONSIDERATION.

8 "PATRON." ANY PERSON WHO PAYS THE CONSIDERATION FOR THE  
9 OCCUPANCY OF A ROOM OR ROOMS IN A HOTEL.

10 "ROOM." A SPACE IN A BUILDING SET ASIDE FOR USE AND  
11 OCCUPANCY BY PATRONS, OR OTHERWISE, FOR CONSIDERATION, HAVING AT  
12 LEAST ONE BED OR OTHER SLEEPING ACCOMMODATIONS PROVIDED.

13 "TRANSACTION." THE ACTIVITY INVOLVING THE OBTAINING BY A  
14 TRANSIENT OR PATRON OF THE USE OR OCCUPANCY OF A HOTEL ROOM FROM  
15 WHICH CONSIDERATION EMANATES TO THE OPERATOR UNDER AN EXPRESSED  
16 OR IMPLIED CONTRACT.

17 "TRANSIENT." ANY PERSON WHO OBTAINS AN ACCOMMODATION IN ANY  
18 HOTEL FOR THE PERSON BY MEANS OF REGISTERING AT THE FACILITY FOR  
19 THE TEMPORARY OCCUPANCY OF A ROOM FOR THE PERSONAL USE OF THAT  
20 PERSON BY PAYING TO THE OPERATOR OF THE FACILITY A FEE IN  
21 CONSIDERATION THEREFOR.

22 § 8727. LOCAL OPTION CIGARETTE TAX IN SCHOOL DISTRICTS OF THE  
23 FIRST CLASS.

24 (A) AUTHORIZATION.--THE FOLLOWING SHALL APPLY:

25 (1) A SCHOOL DISTRICT MAY, IF AUTHORIZED BY ORDINANCE OF  
26 THE GOVERNING BODY OF A CITY OF THE FIRST CLASS ADOPTED PRIOR  
27 TO OR AFTER THE EFFECTIVE DATE OF THIS SECTION, IMPOSE AND  
28 ASSESS AN EXCISE TAX UPON THE SALE OR POSSESSION OF  
29 CIGARETTES WITHIN THE SCHOOL DISTRICT AT A RATE OF 10¢ PER  
30 CIGARETTE. ONLY ONE SALE SHALL BE TAXABLE AND USED IN

1 COMPUTING THE AMOUNT OF TAX DUE, WHETHER THE SALE IS OF  
2 INDIVIDUAL CIGARETTES, PACKAGES, CARTONS OR CASES.

3 (2) THE GOVERNING BODY OF THE CITY OF THE FIRST CLASS  
4 AND SCHOOL DISTRICT MAY AMEND, RESPECTIVELY, THE ORDINANCE  
5 AUTHORIZING THE IMPOSITION OF THE TAX AND THE RESOLUTION  
6 IMPOSING THE TAX AUTHORIZED BY THIS SECTION TO REFLECT THE  
7 PROVISIONS OF THIS SECTION IN THE FISCAL YEAR IN WHICH THIS  
8 SECTION TAKES EFFECT.

9 (B) EXCEPTION.--THE TAX AUTHORIZED UNDER SUBSECTION (A) MAY  
10 NOT BE LEVIED UPON THE POSSESSION OR SALE OF ANY CIGARETTE THAT  
11 IS EXEMPT FROM, OR WHICH IS OTHERWISE NOT SUBJECT TO, LEVY UNDER  
12 ARTICLE XII OF THE TAX REFORM CODE AND THE REGULATIONS  
13 PROMULGATED UNDER THAT ARTICLE.

14 (C) COLLECTION.--

15 (1) THE TAX AUTHORIZED UNDER SUBSECTION (A) SHALL BE  
16 COLLECTED AND REMITTED TO THE DEPARTMENT IN THE SAME MANNER  
17 AS THE TAX IMPOSED UNDER ARTICLE XII OF THE TAX REFORM CODE.  
18 THE REGULATIONS PROMULGATED UNDER SECTION 1291 OF THE TAX  
19 REFORM CODE SHALL BE APPLICABLE TO THE TAX AUTHORIZED UNDER  
20 SUBSECTION (A) INsofar AS THE REGULATIONS ARE CONSISTENT WITH  
21 THIS SECTION.

22 (2) UNLESS THE DEPARTMENT PROMULGATES REGULATIONS TO THE  
23 CONTRARY UNDER SUBSECTION (D), ANY STAMP AFFIXED UNDER  
24 SECTION 1215 OF THE TAX REFORM CODE SHALL ALSO REFLECT  
25 PAYMENT OF ANY TAX AUTHORIZED UNDER THIS SECTION.

26 (3) THE PROVISIONS OF SECTION 1216 OF THE TAX REFORM  
27 CODE SHALL NOT APPLY TO ANY TAX AUTHORIZED UNDER THIS  
28 SECTION.

29 (D) ADMINISTRATION.--THE DEPARTMENT SHALL ADMINISTER AND  
30 ENFORCE THE PROVISIONS OF THIS SECTION AND MAY PROMULGATE AND



1 ENFORCE ANY RULES AND REGULATIONS NOT INCONSISTENT WITH THE  
2 PROVISIONS OF THIS SECTION.

3 (E) REIMBURSEMENT OF COSTS.--FROM THE TAX COLLECTED UNDER  
4 THIS SECTION, THE DEPARTMENT MAY RETAIN A SUM OF THE COSTS OF  
5 COLLECTION AND SHALL, ON A MONTHLY BASIS, NOTIFY IN WRITING THE  
6 SCHOOL DISTRICT IMPOSING THE TAX OF THE SUM RETAINED AND THE  
7 COSTS OF COLLECTION UNDER THIS SECTION. ANNUALLY, THE DEPARTMENT  
8 SHALL ESTIMATE ITS COST OF COLLECTION UNDER THIS SECTION FOR THE  
9 NEXT SUCCEEDING FISCAL YEAR AND SHALL PROVIDE THE ESTIMATE TO  
10 THE SCHOOL DISTRICT.

11 (F) CERTIFIED COPY OF ORDINANCE TO DEPARTMENT.--A SCHOOL  
12 DISTRICT THAT ADOPTS A RESOLUTION:

13 (1) TO IMPOSE THE TAX AUTHORIZED UNDER THIS SECTION OR  
14 TO CHANGE THE RATE OF THE TAX SHALL PROVIDE A CERTIFIED COPY  
15 OF THE RESOLUTION TO THE DEPARTMENT NOT LATER THAN 20 DAYS  
16 PRIOR TO THE EFFECTIVE DATE OF THE TAX OR CHANGE TO THE TAX.

17 (2) TO REPEAL THE TAX AUTHORIZED UNDER THIS SECTION  
18 SHALL PROVIDE A CERTIFIED COPY OF THE RESOLUTION TO THE  
19 DEPARTMENT NOT LATER THAN 30 DAYS PRIOR TO THE EFFECTIVE DATE  
20 OF THE REPEAL.

21 (G) EFFECTIVE DATE.--THE EFFECTIVE DATE OF ANY TAX  
22 AUTHORIZED UNDER THIS SECTION OR CHANGE TO THE TAX SHALL BE NO  
23 EARLIER THAN 30 DAYS AFTER THE ADOPTION OF THE RESOLUTION OR  
24 ORDINANCE.

25 (H) LOCAL CIGARETTE TAX FUND.--

26 (1) THE LOCAL CIGARETTE TAX FUND IS ESTABLISHED IN THE  
27 STATE TREASURY AND THE STATE TREASURER SHALL BE CUSTODIAN OF  
28 THE FUND. THE FUND SHALL BE SUBJECT TO THE PROVISIONS OF LAW  
29 APPLICABLE TO FUNDS LISTED IN SECTION 302 OF THE ACT OF APRIL  
30 9, 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE.

1           (2) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE  
2 RECEIVED BY THE DEPARTMENT AND PAID TO THE STATE TREASURER  
3 AND, ALONG WITH INTEREST AND PENALTIES, LESS ANY COLLECTION  
4 COSTS ALLOWED UNDER THIS SECTION AND ANY REFUNDS AND CREDITS  
5 PAID, SHALL BE CREDITED TO THE FUND NOT LESS FREQUENTLY THAN  
6 EVERY TWO WEEKS. DURING ANY PERIOD PRIOR TO THE CREDIT OF  
7 MONEYS TO THE FUND, INTEREST EARNED ON MONEYS RECEIVED BY THE  
8 DEPARTMENT AND PAID TO THE STATE TREASURER UNDER THIS SECTION  
9 SHALL BE DEPOSITED INTO THE FUND.

10           (3) MONEYS CREDITED TO THE FUND SHALL BE PROPERTY OF THE  
11 SCHOOL DISTRICT AND SHALL BE DISTRIBUTED AS PROVIDED IN THIS  
12 SECTION. THE MONEY IN THE FUND, INCLUDING, BUT NOT LIMITED  
13 TO, MONEY CREDITED TO THE FUND UNDER THIS SECTION, PRIOR YEAR  
14 ENCUMBRANCES AND THE INTEREST EARNED THEREON, SHALL NOT LAPSE  
15 OR BE TRANSFERRED TO ANY OTHER FUND, BUT SHALL REMAIN IN THE  
16 FUND AND MUST BE USED EXCLUSIVELY AS PROVIDED IN THIS  
17 SECTION.

18           (4) PENDING THEIR DISBURSEMENT TO THE SCHOOL DISTRICT,  
19 MONEYS RECEIVED ON BEHALF OF OR DEPOSITED INTO THE FUND SHALL  
20 BE INVESTED OR REINVESTED AS ARE OTHER FUNDS IN THE CUSTODY  
21 OF THE STATE TREASURER IN THE MANNER PROVIDED BY LAW. THE  
22 EARNINGS RECEIVED FROM THE INVESTMENT OR DEPOSIT OF THE FUNDS  
23 SHALL BE CREDITED TO THE FUND.

24           (I) DISBURSEMENT TO SCHOOL DISTRICT.--ON OR BEFORE THE 10TH  
25 DAY OF EVERY MONTH, THE STATE TREASURER SHALL DISBURSE TO THE  
26 SCHOOL DISTRICT IMPOSING THE TAX UNDER THIS SECTION THE TOTAL  
27 AMOUNT OF MONEYS WHICH ARE, AS OF THE LAST DAY OF THE PREVIOUS  
28 MONTH, CONTAINED IN THE FUND.

29           (J) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING  
30 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS

1 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

2 "CIGARETTE." AS DEFINED IN SECTION 1201 OF THE TAX REFORM  
3 CODE.

4 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

5 "FUND." THE LOCAL CIGARETTE TAX FUND ESTABLISHED UNDER THIS  
6 SECTION.

7 "SALE." AS DEFINED IN SECTION 1201 OF THE TAX REFORM CODE.

8 "SCHOOL DISTRICT." A SCHOOL DISTRICT OF THE FIRST CLASS  
9 COTERMINOUS WITH A CITY OF THE FIRST CLASS.

10 "TAX REFORM CODE." THE ACT OF MARCH 4, 1971 (P.L.6, NO.2),  
11 KNOWN AS THE TAX REFORM CODE OF 1971.

12 § 8728. LOCAL SALES TAX REVENUES IN CITIES OF THE FIRST CLASS.

13 NOTWITHSTANDING THE PROVISIONS OF SECTION 696 OF THE ACT OF  
14 MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS THE PUBLIC SCHOOL CODE  
15 OF 1949, AN INCREASE IN GRANTS TO A SCHOOL DISTRICT OF THE FIRST  
16 CLASS BY A CITY OF THE FIRST CLASS BASED ON DEBT SERVICE TO BE  
17 PAID AS AUTHORIZED UNDER SECTION 201-B(F) (1) OF THE ACT OF MARCH  
18 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971,  
19 SHALL NOT REQUIRE A COMPARABLE INCREASE IN GRANTS BY THE CITY IN  
20 SUBSEQUENT YEARS.

21 SECTION 5. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

22 (1) THE ADDITION OF 53 PA.C.S. §§ 8723, 8724, 8725,  
23 8726, 8727 AND 8728 SHALL TAKE EFFECT IMMEDIATELY.

24 (2) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

25 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60  
26 DAYS.