

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1511 Session of
2017

INTRODUCED BY M. QUINN, CORR, BARBIN, DOWLING, W. KELLER,
MILLARD, PASHINSKI, SCHLOSSBERG AND WARREN, JUNE 7, 2017

REFERRED TO COMMITTEE ON FINANCE, JUNE 7, 2017

AN ACT

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

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

15 Section 1. Sections 209(a) and 210 of the act of March 4,
16 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are
17 amended to read:

18 Section 209. Definitions.--(a) For the purposes of this
19 part V only, the following words, terms and phrases shall have
20 the meaning ascribed to them in this subsection, except where
21 the context clearly indicates a different meaning:

22 [(1) "Hotel." A building or buildings in which the public
23 may, for a consideration, obtain sleeping accommodations. The

1 term "hotel" shall not include any charitable, educational or
2 religious institution summer camp for children, hospital or
3 nursing home.]

4 (1.1) "Accommodation fee." The amount by which the rent
5 exceeds the discount room charge, if any.

6 (1.2) "Discount room charge." The amount charged by an
7 operator to an intermediary in connection with the sale of an
8 accommodation by the intermediary.

9 (1.3) "Hotel." A building or buildings in which the public
10 may, for a consideration, obtain sleeping accommodations. The
11 term "hotel" shall not include any charitable, educational or
12 religious institution summer camp for children, hospital or
13 nursing home.

14 (1.4) "Intermediary." A person that facilitates the booking
15 of hotel reservations. The term shall not include an operator or
16 a person that is paid a commission by an operator.

17 (2) "Occupant." A person (other than a "permanent resident,"
18 as defined herein,) who, for a consideration, uses, possesses or
19 has a right to use or possess any room or rooms in a hotel under
20 any lease, concession, permit, right of access, license or
21 agreement.

22 (3) "Occupancy." The use or possession or the right to the
23 use or possession by any person (other than a "permanent
24 resident,") of any room or rooms in a hotel for any purpose or
25 the right to the use or possession of the furnishings or to the
26 services and accommodations accompanying the use and possession
27 of the room or rooms.

28 (4) "Operator." Any person operating a hotel.

29 (5) "Permanent resident." Any occupant who has occupied or
30 has the right to occupancy of any room or rooms in a hotel for

1 at least thirty consecutive days.

2 (6) "Rent." The consideration received for occupancy valued
3 in money, whether received in money or otherwise, including all
4 receipts, cash, credits and property or services of any kind or
5 nature, [and also] any amount charged by an intermediary to an
6 occupant and retained by an intermediary and any amount for
7 which the occupant is liable for the occupancy without any
8 deduction therefrom whatsoever. The term "rent" shall not
9 include a gratuity.

10 * * *

11 Section 210. Imposition of Tax.--(a) There is hereby
12 imposed an excise tax of six per cent of the rent upon every
13 occupancy of a room or rooms in a hotel in this Commonwealth,
14 which tax shall be collected by the operator or an intermediary
15 from the occupant and paid over to the Commonwealth as herein
16 provided.

17 (b) (1) An intermediary shall be liable for the tax
18 required to be collected under this section and for remitting
19 the tax to the Commonwealth.

20 (2) An operator shall not be liable for tax owed regarding
21 an accommodation fee.

22 (c) An intermediary shall not be required to separately
23 disclose to an occupant the amount of the tax imposed that
24 relates to a discount room charge versus an accommodation fee.

25 Section 2. The act is amended by adding a section to read:

26 Section 212. Tourism Promotion Fund.--(a) A restricted
27 revenue account is established within the Treasury Department to
28 be known as the Tourism Promotion Fund.

29 (b) The tax collected by intermediaries under section 210
30 shall be deposited into the fund and disbursed upon

1 appropriation for the purpose of promoting tourism in this
2 Commonwealth.

3 (c) The Department of Community and Economic Development
4 shall promulgate guidelines, rules and regulations as necessary
5 to achieve the purpose of promoting tourism in this
6 Commonwealth.

7 (d) As used in this section, the following words and phrases
8 shall have the meanings given to them in this subsection unless
9 the context clearly indicates otherwise:

10 "Fund." The Tourism Promotion Fund established under
11 subsection (a).

12 "Promoting tourism." Activities and expenditures designed to
13 increase tourism including, but not limited to, the following:

14 (1) Advertising, publicizing or otherwise distributing
15 information for the purpose of attracting and welcoming
16 tourists.

17 (2) Developing strategies to expand tourism.

18 (3) Funding operations of tourism promotion agencies and
19 regional attractions marketing agencies.

20 (4) Funding marketing and operations of special events
21 and festivals designed to attract tourists.

22 Section 3. This act shall take effect in 60 days.