
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 770 Session of
2017

INTRODUCED BY HUTCHINSON, MENSCH, RAFFERTY AND VULAKOVICH,
JUNE 15, 2017

REFERRED TO FINANCE, JUNE 15, 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 sales and use tax, further providing for the
11 definition of "tangible personal property."

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

14 Section 1. Section 201(m) of the act of March 4, 1971
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended
16 July 13, 2016 (P.L.526, No.84), is amended to read:

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

21 * * *

22 (m) "Tangible personal property."

1 (1) Corporeal personal property including, but not limited
2 to, goods, wares, merchandise, steam and natural and
3 manufactured and bottled gas for non-residential use,
4 electricity for non-residential use, prepaid telecommunications,
5 premium cable or premium video programming service, spirituous
6 or vinous liquor and malt or brewed beverages and soft drinks,
7 interstate telecommunications service originating or terminating
8 in the Commonwealth and charged to a service address in this
9 Commonwealth, intrastate telecommunications service with the
10 exception of (i) subscriber line charges and basic local
11 telephone service for residential use and (ii) charges for
12 telephone calls paid for by inserting money into a telephone
13 accepting direct deposits of money to operate, provided further,
14 the service address of any intrastate telecommunications service
15 is deemed to be within this Commonwealth or within a political
16 subdivision, regardless of how or where billed or paid. In the
17 case of any such interstate or intrastate telecommunications
18 service, any charge paid through a credit or payment mechanism
19 which does not relate to a service address, such as a bank,
20 travel, credit or debit card, but not including prepaid
21 telecommunications, is deemed attributable to the address of
22 origination of the telecommunications service.

23 (2) The term shall include the following, whether
24 electronically or digitally delivered, streamed or accessed and
25 whether purchased singly, by subscription or in any other
26 manner, including maintenance[,] and updates [and support]:

27 (i) video;

28 (ii) photographs;

29 (iii) books;

30 (iv) any other otherwise taxable printed matter;

- 1 (v) applications, commonly known as apps;
2 (vi) games;
3 (vii) music;
4 (viii) any other audio, including satellite radio service;
5 (ix) canned software, notwithstanding the function
6 performed; or
7 (x) any other otherwise taxable tangible personal property
8 electronically or digitally delivered, streamed or accessed.

9 (3) The term shall not include services that provide advice
10 or guidance concerning otherwise taxable digital or electronic
11 tangible personal property, including, but not limited to,
12 identifying the source of problems affecting the usability of
13 the property, attempting to place or restore the property to a
14 useable state, help desk support or call center support.

15 * * *

16 Section 2. This act shall take effect in 60 days.