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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2068 Session of  
2020

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INTRODUCED BY HENNESSEY, SCHLEGEL CULVER, ECKER, SOLOMON,  
STRUZZI, CIRESI AND FRITZ, FEBRUARY 24, 2020

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REFERRED TO COMMITTEE ON TRANSPORTATION, FEBRUARY 24, 2020

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AN ACT

1 Amending Title 74 (Transportation) of the Pennsylvania  
2 Consolidated Statutes, in public transportation, providing  
3 for local mass transit funding.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Title 74 of the Pennsylvania Consolidated  
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 19

9 LOCAL MASS TRANSIT FUNDING

10 Sec.

11 1901. County tax for mass transportation.

12 § 1901. County tax for mass transportation.

13 (a) Taxes authorized.--

14 (1) Subject to subsection (b), a county may, at its  
15 discretion, by ordinance or resolution, for mass  
16 transportation revenue purposes for local transportation  
17 organizations, levy, assess and collect or provide for the  
18 levying, assessment and collection one or more of the taxes

1 described in subsection (c).

2 (2) A county that adopts an ordinance or resolution  
3 under this section shall transmit a copy of the ordinance or  
4 resolution to the Department of Revenue on a form and in a  
5 manner as may be required by the Department of Revenue.

6 (b) Requirement.--No county may exercise the taxing  
7 authority provided in subsection (a) until the county has  
8 adopted by ordinance a fee for local use under 75 Pa.C.S. § 1935  
9 (relating to fee for local use).

10 (c) Taxes imposed.--A county that exercises its taxing  
11 authority under subsection (a) may impose the following taxes:

12 (1) A tax upon a transfer of real property or an  
13 interest in real property within the limits of the county,  
14 regardless of where the instruments making the transfers are  
15 made, executed or delivered or where the actual settlements  
16 on the transfer take place, to the extent that the  
17 transactions are subject to the tax imposed by Article XI-C  
18 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax  
19 Reform Code of 1971. A tax imposed under this paragraph shall  
20 not exceed 0.5% of rate limitations provided by sections 307,  
21 311 and 320 of the act of December 31, 1965 (P.L.1257,  
22 No.511), known as The Local Tax Enabling Act.

23 (2) In addition to the tax imposed under Article III of  
24 the Tax Reform Code of 1971, a surtax not to exceed 0.2% of  
25 the tax imposed on the taxable income of resident and  
26 nonresident individuals as provided for under Article III of  
27 the Tax Reform Code of 1971. The surtax shall be in addition  
28 to any tax imposed under Article III of the Tax Reform Code  
29 of 1971.

30 (3) In addition to the tax imposed under Article II of

1 the Tax Reform Code of 1971, a surtax equal to 0.25% imposed  
2 on the purchase price of tangible personal property and  
3 services subject to taxation under Article II of the Tax  
4 Reform Code of 1971. The surtax shall be in addition to any  
5 tax imposed under Article II of the Tax Reform Code of 1971.

6 (d) Computation of sales and use tax.--Within 30 days of the  
7 notification of a county of the adoption of a tax under  
8 subsection (c) (3), the Department of Revenue shall establish a  
9 combined schedule for the computation of the State sales and use  
10 tax and the State sales and use surtax as established under  
11 subsection (c) (3). The Department of Revenue shall collect the  
12 surtax and remit the surtax proceeds quarterly to the  
13 appropriate taxing authority. The Department of Revenue shall  
14 transmit the schedule providing for the combined computation of  
15 the State sales and use tax and the State sales and use surtax  
16 to the Legislative Reference Bureau for publication in the next  
17 succeeding publication of the Pennsylvania Bulletin.

18 (e) Administration.--

19 (1) The taxes authorized under subsection (c) (1) and (2)  
20 shall be administered, collected and enforced under The Local  
21 Tax Enabling Act.

22 (2) The tax authorized under subsection (c) (3) shall be  
23 administered, collected and enforced under the Tax Reform  
24 Code of 1971.

25 (3) In administering this subsection, the Department of  
26 Revenue may promulgate and enforce regulations not  
27 inconsistent with the provisions of this section.

28 (f) Construction.--The provisions of Articles II, III and  
29 XI-C of the Tax Reform Code of 1971 shall apply to the taxes  
30 imposed under subsection (c), except as inconsistent with this

1 section.

2 (g) Grants by counties.--

3 (1) A county may make annual grants from current  
4 revenues or from revenue derived from taxes levied by the  
5 county under this section to local transportation  
6 organizations to assist in defraying the costs of operations,  
7 maintenance and debt service of a local transportation  
8 organization or of a particular mass transportation project  
9 of a local transportation organization and to enter into  
10 long-term agreements providing for the payment of the same.

11 (2) The obligation of a county under the agreement shall  
12 not be considered to be a part of the county's indebtedness,  
13 nor shall the obligation be deemed to impair the status of  
14 any indebtedness of the county which would otherwise be  
15 considered as self-sustaining.

16 (3) Nothing in this subsection shall be construed to  
17 preclude two or more counties from entering into an agreement  
18 to jointly make annual grants from current revenues or from  
19 revenue derived from taxes levied by a county under this  
20 section to a local transportation organization or to a  
21 particular mass transportation project of a local  
22 transportation organization or to jointly enter into long-  
23 term agreements for providing payment of the same.

24 (h) Regulations.--In order to facilitate the implementation  
25 of this subchapter, the Department of Revenue may promulgate  
26 regulations to implement any provision that is required under  
27 this section or that the department determines appropriate for  
28 implementation of this section.

29 (i) Temporary regulations.--Notwithstanding any other  
30 provision of law, regulations promulgated by the Department of

1 Revenue under this section during the two years following the  
2 effective date of this section shall be deemed temporary  
3 regulations that expire no later than three years following the  
4 effective date of this section or upon promulgation of final  
5 regulations. The temporary regulations shall not be subject to  
6 the following:

7       (1) Sections 201, 202, 203 and 204 of the act of July  
8       31, 1968 (P.L.769, No.240), referred to as the Commonwealth  
9       Documents Law.

10       (2) The act of June 25, 1982 (P.L.633, No.181), known as  
11       the Regulatory Review Act.

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