

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 273 Session of 2021

INTRODUCED BY PEIFER, FRITZ, GREINER, JAMES, JOZWIAK, MILLARD, MOUL, NEILSON, PICKETT, ROTHMAN, ROWE, RYAN, WARREN AND ZIMMERMAN, JANUARY 26, 2021

REFERRED TO COMMITTEE ON FINANCE, JANUARY 26, 2021

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 realty transfer tax, correcting a scrivener's
 11 error relating to credits against tax.

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

14 Section 1. The General Assembly finds and declares as
 15 follows:

16 (1) An error appeared in the publication of section 8 of
 17 the act of July 2, 1986 (P.L.318, No.77): The amendment of
 18 the definition of "document" in section 1101-C of the act of
 19 March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
 20 1971, used the word "devises" instead of the word "demises"
 21 and the word "devise" instead of the word "demise."

22 (2) An error appeared in the publication of section 11

1 of Act 77 of 1986: The addition of section 1102-C.4 of the
2 Tax Reform Code of 1971, used the word "devise" instead of
3 the word "demise."

4 (3) An error appeared in the publication of section 12
5 of Act 77 of 1986: The addition of section 1103-C(c) of the
6 Tax Reform Code of 1971, used the word "devise" instead of
7 the word "demise" and the word "devised" instead of the word
8 "demised."

9 (4) The publication of the official law, without a
10 footnote, does not match the enrolled bill nor comport with
11 the interpretive regulation of the Department of Revenue at
12 61 Pa. Code §§ 91.111(a) (relating to imposition of tax on
13 documents) and 91.112(a) (relating to statement of value).

14 (5) The errors are corrected by the amendment of the
15 definition of "document" in section 1101-C and sections 1102-
16 C.4 and 1103-C(c) of the Tax Reform Code of 1971.

17 Section 2. The definition of "document" in section 1101-C of
18 the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
19 Code of 1971, is amended to read:

20 Section 1101-C. Definitions.--The following words when used
21 in this article shall have the meanings ascribed to them in this
22 section:

23 * * *

24 "Document." Any deed, instrument or writing which conveys,
25 transfers, [devises] demises, vests, confirms or evidences any
26 transfer or [devise] demise of title to real estate in this
27 Commonwealth, but does not include wills, mortgages, deeds of
28 trust or other instruments of like character given as security
29 for a debt and deeds of release thereof to the debtor, land
30 contracts whereby the legal title does not pass to the grantee

1 until the total consideration specified in the contract has been
2 paid or any cancellation thereof unless the consideration is
3 payable over a period of time exceeding thirty years or
4 instruments which solely grant, vest or confirm a public utility
5 easement. "Document" shall also include a declaration of
6 acquisition required to be presented for recording under section
7 1102-C.5 of this article.

8 * * *

9 Section 3. Sections 1102-C.4 and 1103-C(c) of the act are
10 amended to read:

11 Section 1102-C.4. Documents Relating to Associations or
12 Corporations and Members, Partners, Stockholders or Shareholders
13 Thereof.--Except as otherwise provided in sections 1102-C.3 and
14 1102-C.5, documents which make, confirm or evidence any transfer
15 or [devise] demise of title to real estate between associations
16 or corporations and the members, partners, shareholders or
17 stockholders thereof are fully taxable. For the purposes of this
18 article, corporations and associations are entities separate
19 from their members, partners, stockholders or shareholders.

20 Section 1103-C. Credits Against Tax.--* * *

21 (c) Where there is a transfer of real estate which is
22 [devised] demised by the grantor, a credit for the amount of tax
23 paid at the time of the [devise] demise shall be given the
24 grantor toward the tax due upon the transfer.

25 * * *

26 Section 4. This act shall take effect immediately.