
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2640 Session of
2022

INTRODUCED BY KAUFER, JUNE 1, 2022

REFERRED TO COMMITTEE ON FINANCE, JUNE 1, 2022

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
11 definitions.

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

14 Section 1. Section 201(pp) of the act of March 4, 1971
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended
16 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 (pp) "Building machinery and equipment." Generation
23 equipment, storage equipment, conditioning equipment,

1 distribution equipment and termination equipment, which shall be
2 limited to the following:

3 (1) air conditioning limited to heating, cooling,
4 purification, humidification, dehumidification and ventilation;

5 (2) electrical;

6 (3) plumbing;

7 (4) communications limited to voice, video, data, sound,
8 master clock and noise abatement;

9 (5) alarms limited to fire, security and detection;

10 (6) control system limited to energy management, traffic and
11 parking lot and building access[;]. For the purposes of this
12 clause:

13 (i) The term "control system" as it relates to traffic shall
14 include traffic signals and foundations, poles and mast arms.

15 (ii) The term "traffic signal" shall mean a highway or
16 street or pedestrian path device which alternatively directs
17 traffic to stop and permits traffic to proceed, or informs
18 traffic of related transportation developments or cautions
19 traffic to reduce speed. The term shall include traffic systems,
20 intelligent transportation systems, signal heads, warning signs,
21 adaptive systems, cameras, controller cabinets and wiring;

22 (7) medical system limited to diagnosis and treatment
23 equipment, medical gas, nurse call and doctor paging;

24 (8) laboratory system;

25 (9) cathodic protection system; or

26 (10) furniture, cabinetry and kitchen equipment.

27 The term shall include boilers, chillers, air cleaners,
28 humidifiers, fans, switchgear, pumps, telephones, speakers,
29 horns, motion detectors, dampers, actuators, grills, registers,
30 [traffic signals,] sensors, card access devices, guardrails,

1 medial devices, floor troughs and grates and laundry equipment,
2 together with integral coverings and enclosures, whether or not
3 the item constitutes a fixture or is otherwise affixed to the
4 real estate, whether or not damage would be done to the item or
5 its surroundings upon removal or whether or not the item is
6 physically located within a real estate structure. The term
7 "building machinery and equipment" shall not include guardrail
8 posts, pipes, fittings, pipe supports and hangers, valves,
9 underground tanks, wire, conduit, receptacle and junction boxes,
10 insulation, ductwork and coverings thereof.

11 * * *

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