PRINTER'S NO. 2238

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1749 Session of 2011

INTRODUCED BY STABACK, KAVULICH, MURPHY AND K. SMITH,
JUNE 28, 2011

REFERRED TO COMMITTEE ON TOURISM AND RECREATIONAL DEVELOPMENT,
JUNE 28, 2011

AN ACT

Amending the act of August 9, 1955 (P.L.323, No.130), entitled, as amended, "An act relating to counties of the first, third, fourth, fifth, sixth, seventh and eighth classes; amending, revising, consolidating and changing the laws relating thereto; relating to imposition of excise taxes by counties, including authorizing imposition of an excise tax on the rental of motor vehicles by counties of the first class; and providing for regional renaissance initiatives," in fiscal affairs, further providing for authorization of hotel tax.

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

Section 1. Section 1770.4(a), (c), (d) and the definition of "Tourist Promotion Agency (TPA)" in subsection (f) of the act of August 9, 1955 (P.L.323, No.130), known as The County Code, added June 18, 1997 (P.L.179, No.18), are amended to read:

Section 1770.4. Authorization of Hotel Tax.--(a) The county commissioners of any county of the third class having a second class A city located therein may impose a hotel tax not to exceed [four] <u>seven</u> per centum of the consideration received by each operator of a hotel within the county from each transaction of renting a room or rooms to transients. The tax shall be

collected by the operator from the patron of the room or rooms and paid over to the county as herein provided.

* * *

(c) The [county commissioners of each county shall designate the entity or agency responsible to collect and to enforce the collection of the tax on their behalf. All revenues received from the tax shall be deposited into a special fund which is to be established by the county's legally sanctioned and duly designated Tourist Promotion Agency (TPA)] treasurer of each county that imposes the tax authorized under this section shall collect the tax and deposit the revenues received from the tax in a special fund established for that purpose. The disposition of the revenues from the [TPA hotel tax] special fund shall be as follows: a minimum of [twenty] forty per centum of all revenues received per annum shall be [used by] distributed to the TPA, which shall use them for the appropriate and reasonable operational, marketing and promotional expenses of the TPA. Other tax revenues received and amounting to not more than [eighty] sixty per centum of total annual revenues shall be [used] distributed to the county, which shall use them for reasonable expenses associated with collection and enforcement of the tax; for county-owned tourist and recreational facilities, sports facilities or visitor centers; [or] for other tourism-related activities as determined by the county commissioners; or for other expenditures, debts or liabilities related to tourism or recreational facilities incurred by municipal authorities as determined by the county commissioners.

[(d) The treasurer of each county electing to impose the tax authorized under this section shall collect the tax and deposit the revenues received from the tax in a special fund established

for that purpose. The revenues from the special fund shall be used for county-owned tourist and recreational facilities, sports facilities, visitors center or use of any county-municipal authority as determined by the county commissioners.]

* * *

(f) As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

* * *

"Tourist Promotion Agency (TPA)." An organization, agency or corporation designated to be such by the board of commissioners of the county in which the tax is imposed. The TPA shall be duly established, designated and recognized as the county's TPA in accordance with and pursuant to the act of [April 28, 1961 (P.L.111, No.50), known as the "Tourist Promotion Law."] <u>July 4, 2008 (P.L.621, No.50), known as the "Tourism Promotion Act."</u>

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