
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 794 Session of
2015

INTRODUCED BY GILLESPIE, SCHREIBER, SAYLOR, MOUL, McNEILL,
A. HARRIS, LONGIETTI, MASSER, MURT, SCHWEYER, PHILLIPS-HILL,
DIAMOND, KLUNK, SCHLOSSBERG, D. COSTA, ROZZI, COHEN, RADER,
GROVE, SONNEY, REGAN, IRVIN, PAYNE, TALLMAN AND HARHAI,
MARCH 13, 2015

REFERRED TO COMMITTEE ON TOURISM AND RECREATIONAL DEVELOPMENT,
MARCH 13, 2015

AN ACT

1 Amending the act of August 9, 1955 (P.L.323, No.130), entitled,
2 as amended, "An act relating to counties of the first, third,
3 fourth, fifth, sixth, seventh and eighth classes; amending,
4 revising, consolidating and changing the laws relating
5 thereto; relating to imposition of excise taxes by counties,
6 including authorizing imposition of an excise tax on the
7 rental of motor vehicles by counties of the first class; and
8 providing for regional renaissance initiatives," in fiscal
9 affairs, repealing provisions relating to authorization of
10 excise tax and authorization of hotel tax; and providing for
11 hotel room rental tax in third through eighth class counties
12 and for certification of recognized tourist promotion
13 agencies.

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

16 Section 1. Sections 1770.2 and 1770.6 of the act of August
17 9, 1955 (P.L.323, No.130), known as The County Code, amended or
18 added December 22, 2000 (P.L.1019, No.142) and July 5, 2005
19 (P.L.38, No.12), are repealed:

20 [Section 1770.2. Authorization of Excise Tax.--(a) The
21 county commissioners of any county which has a recognized

1 tourist promotion agency designated to act within the county may
2 impose an excise tax not to exceed three per centum of the
3 consideration received by each operator of a hotel within the
4 county from each transaction of renting a room or rooms to
5 transients. The tax shall be collected by the operator from the
6 patron of the room or rooms and paid over to the county as
7 herein provided.

8 (b) The county commissioners may by ordinance impose
9 requirements for keeping of records, the filing of tax returns
10 and the time and manner of collection and payment of tax. The
11 county commissioners may also impose by ordinance penalties and
12 interest for failure to comply with recordkeeping, filing,
13 collection and payment requirements.

14 (c) The treasurer of each county electing to impose the tax
15 authorized under this section shall collect the tax and deposit
16 the revenues received from the tax in a special fund established
17 for that purpose. After deducting from the fund any direct or
18 indirect costs attributable to collection of the tax, the county
19 shall distribute to the recognized tourist promotion agency
20 designated to act within the county all revenues received from
21 the tax not later than sixty days after receipt of the tax
22 revenues. The revenues from the special fund shall be used by
23 the recognized tourist promotion agency for any or all of the
24 following purposes:

25 (1) Convention promotion.

26 (2) Marketing the area served by the agency as a leisure
27 travel destination.

28 (3) Marketing the area served by the agency as a business
29 travel destination.

30 (4) Using all appropriate marketing tools to accomplish

1 these purposes, including, but not limited to, advertising,
2 publicity, publications, direct marketing, direct sales and
3 participation in industry trade shows.

4 (5) Projects or programs that are directly and substantially
5 related to tourism within the county, augment and do not unduly
6 compete with private sector tourism efforts and improve and
7 expand the county as a destination market.

8 (6) Any other tourism marketing or promotion program deemed
9 necessary by the recognized tourist promotion agency.

10 (d) The tax year for a tax imposed under this section shall
11 run concurrently with the calendar year.

12 (e) An audited report on the income and expenditures
13 incurred by a recognized tourist promotion agency receiving any
14 revenues from the tax authorized under this section shall be
15 submitted annually by the recognized tourist promotion agency to
16 the county commissioners.

17 (e.1) Notwithstanding any other provision of subsection (b)
18 or any other provision of law to the contrary, in counties of
19 the third class having a population under the 1990 Federal
20 Decennial Census in excess of 415,000 residents but less than
21 500,000 residents, a penalty of one and one-half per centum per
22 month shall be imposed for failure to timely remit the tax
23 authorized by this section. In addition to other remedies
24 available for collection of debts, the county may also file a
25 lien upon the hotel in the name of and for the use of the county
26 as provided by law for municipal claims.

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

29 "Consideration." Receipts, fees, charges, rentals, leases,
30 cash, credits, property of any kind or nature, or other payment

1 received by operators in exchange for or in consideration of the
2 use or occupancy by a transient of a room or rooms in a hotel
3 for any temporary period.

4 "County." Any county which is on the effective date of this
5 act a county of the third class having a population under the
6 1990 Federal Decennial Census in excess of 337,000 residents,
7 but less than 341,000 residents, or a county of the third class
8 having a population under the 1990 Federal Decennial Census in
9 excess of 374,000 residents, but less than 380,000 residents, or
10 a county of the third class having a population under the 1990
11 Federal Decennial Census in excess of 415,000 residents, but
12 less than 500,000 residents, or a county of the fourth class
13 having a population under the 1990 Federal Decennial Census in
14 excess of 159,000 residents, but less than 175,000 residents, or
15 a county of the fifth class having a population under the 1990
16 Federal Decennial Census in excess of 123,000 residents, or a
17 county of the fifth class having a population under the 1990
18 Federal Decennial Census in excess of 117,000 residents, but
19 less than 121,050 residents, or a county of the sixth class
20 having a population under the 1990 Federal Decennial Census in
21 excess of 87,000 residents.

22 "Hotel." A hotel, motel, inn, guest house or other structure
23 which holds itself out by any means, including advertising,
24 license, registration with an innkeepers' group, convention
25 listing association, travel publication or similar association
26 or with a government agency, as being available to provide
27 overnight lodging or use of facility space for consideration to
28 persons seeking temporary accommodation; any place which
29 advertises to the public at large or any segment thereof that it
30 will provide beds, sanitary facilities or other space for a

1 temporary period to members of the public at large; or any place
2 recognized as a hostelry. The term does not include any portion
3 of a facility that is devoted to persons who have an established
4 permanent residence or a college or university student residence
5 hall or any private campground, or any cabins, public
6 campgrounds or other facilities located on State land.

7 "Occupancy." The use or possession or the right to the use
8 or possession by any person other than a permanent resident of
9 any room in a hotel for any purpose or the right to the use or
10 possession of the furnishings or to the services accompanying
11 the use and possession of the room.

12 "Operator." An individual, partnership, nonprofit or profit-
13 making association or corporation or other person or group of
14 persons who maintain, operate, manage, own, have custody of or
15 otherwise possess the right to rent or lease overnight
16 accommodations in a hotel to the public for consideration.

17 "Patron." A person who pays the consideration for the
18 occupancy of a room or rooms in a hotel.

19 "Permanent resident." A person who has occupied or has the
20 right to occupancy of a room or rooms in a hotel as a patron or
21 otherwise for a period exceeding thirty consecutive days.

22 "Recognized tourist promotion agency." The nonprofit
23 corporation, organization, association or agency which is
24 engaged in planning and promoting programs designed to stimulate
25 and increase the volume of tourist, visitor and vacation
26 business within counties served by the agency as that term is
27 defined in the act of April 28, 1961 (P.L.111, No.50), known as
28 the "Tourist Promotion Law."

29 "Room." A space in a hotel set aside for use and occupancy
30 by patrons, or otherwise, for consideration, having at least one

1 bed or other sleeping accommodation in a room or group of rooms.

2 "Transaction." The activity involving the obtaining by a
3 transient or patron of the use or occupancy of a hotel room from
4 which consideration is payable to the operator under an express
5 or an implied contract.

6 "Transient." An individual who obtains accommodation in a
7 hotel by means of registering at the facility for the temporary
8 occupancy of a room for the personal use of the individual by
9 paying a fee to the operator.

10 Section 1770.6. Authorization of Hotel Tax.--(a) Except as
11 provided for in section 1770.7, the county commissioners of any
12 county may impose an excise tax on the consideration received by
13 each operator of a hotel, as defined by this section, from each
14 transaction of renting a room or rooms to accommodate
15 transients. If levied, the tax shall be collected by the
16 operator from the patron of the room and paid over to the county
17 and shall be known as the hotel room rental tax.

18 (b) The rate of the tax imposed under this section shall not
19 exceed three per centum.

20 (c) The treasurer of each county electing to impose the tax
21 authorized under this section shall collect the tax and deposit
22 the revenues received from the tax in a special fund established
23 for that purpose. Subsequent to the deduction for administrative
24 costs established in subsection (e), the county shall distribute
25 to the recognized tourist promotion agency all revenues received
26 from the tax not later than sixty days after receipt of the tax
27 revenues. The revenues from the special fund shall be used by
28 the recognized tourist promotion agency for any or all of the
29 following purposes:

30 (1) Convention promotion.

1 (2) Marketing the area served by the agency as a leisure
2 travel destination.

3 (3) Marketing the area served by the agency as a business
4 travel destination.

5 (4) Using all appropriate marketing tools to accomplish
6 these purposes, including, but not limited to, advertising,
7 publicity, publications, direct marketing, direct sales and
8 participation in industry trade shows.

9 (5) Projects or programs that are directly and substantially
10 related to tourism within the county, augment and do not unduly
11 compete with private sector tourism efforts and improve and
12 expand the county as a destination market.

13 (6) Any other tourism marketing or promotion program deemed
14 necessary by the recognized tourist promotion agency.

15 (d) Each tax year for any tax imposed hereunder shall run
16 concurrently with the county's fiscal year.

17 (d.1) An audited report on the income and expenditures
18 incurred by a recognized tourist promotion agency receiving any
19 revenues from the tax authorized under this section shall be
20 submitted annually by the recognized tourist promotion agency to
21 the county commissioners.

22 (e) For the purposes of defraying the costs associated with
23 the collection of the tax imposed hereunder and otherwise
24 performing its obligations under this section, the county is
25 hereby authorized to deduct and retain an administrative fee
26 from the taxes collected hereunder. Such administrative fee
27 shall be established by the county but shall not exceed in any
28 tax year the lesser of:

29 (1) two per centum of all taxes collected hereunder; or

30 (2) forty thousand dollars (\$40,000), which amount shall be

1 adjusted biannually, beginning two years after the date of
2 enactment, by the percentage growth in the Consumer Price Index
3 for All Urban Consumers as determined by the United States
4 Department of Labor.

5 (f) Definitions.--As used in this section, the following
6 words and phrases shall have the meanings given to them in this
7 subsection:

8 "Bed and breakfast" or "homestead." A public accommodation
9 consisting of a private residence, which contains ten or fewer
10 bedrooms, used for providing overnight accommodations to the
11 public and in which breakfast is the only meal served and is
12 included in the charge for the room.

13 "Consideration." Receipts, fees, charges, rentals, leases,
14 cash, credits, property of any kind or nature or other payment
15 received by operators in exchange for or in consideration of the
16 use or occupancy by a transient of a room or rooms in a hotel
17 for any temporary period.

18 "County." Any county of the third class through the eighth
19 class which on the effective date of this section does not have
20 the authority to levy a hotel occupancy or room rental tax.

21 "Hotel." A hotel, motel, bed and breakfast, homestead, inn,
22 guest house or other structure which holds itself out by any
23 means, including advertising, license, registration with an
24 innkeepers' group, convention listing association, travel
25 publication or similar association or with a government agency,
26 as being available to provide overnight lodging or use of
27 facility space for consideration to persons seeking temporary
28 accommodation; any place which advertises to the public at large
29 or any segment thereof that it will provide beds, sanitary
30 facilities or other space for a temporary period to members of

1 the public at large; or any place recognized as a hostelry. The
2 term does not include any portion of a facility that is devoted
3 to persons who have an established permanent residence or a
4 college or university student residence hall or any private
5 campground or any cabins, public campgrounds or other facilities
6 located on State land.

7 "Occupancy." The use or possession or the right to the use
8 or possession by any person other than a permanent resident of
9 any room in a hotel for any purpose or the right to the use or
10 possession of the furnishings or to the services accompanying
11 the use and possession of the room.

12 "Operator." An individual, partnership, nonprofit or profit-
13 making association or corporation or other person or group of
14 persons who maintain, operate, manage, own, have custody of or
15 otherwise possess the right to rent or lease overnight
16 accommodations in a hotel to the public for consideration.

17 "Patron." A person who pays the consideration for the
18 occupancy of a room or rooms in a hotel.

19 "Permanent resident." A person who has occupied or has the
20 right to occupancy of a room or rooms in a hotel as a patron or
21 otherwise for a period exceeding thirty consecutive days.

22 "Recognized tourist promotion agency." The nonprofit
23 corporation, organization, association or agency which is
24 engaged in planning and promoting programs designed to stimulate
25 and increase the volume of tourist, visitor and vacation
26 business within counties served by the agency as that term is
27 defined in the act of April 28, 1961 (P.L.111, No.50), known as
28 the "Tourist Promotion Law."

29 "Room." A space in a hotel set aside for use and occupancy
30 by patrons, or otherwise, for consideration, having at least one

1 bed or other sleeping accommodation in a room or group of rooms.

2 "Transaction." The activity involving the obtaining by a
3 transient or patron of the use or occupancy of a hotel room from
4 which consideration is payable to the operator under an express
5 or an implied contract.

6 "Transient." An individual who obtains accommodation in a
7 hotel by means of registering at the facility for the temporary
8 occupancy of a room for the personal use of the individual by
9 paying a fee to the operator.

10 "Treasurer." The elected treasurer of the county or, if
11 there is no elected treasurer of the county, such other official
12 or agent of the county as may be designated by the county to
13 collect and account for the tax authorized by this section.]

14 Section 2. The act is amended by adding sections to read:

15 Section 1770.10. Hotel Room Rental Tax in Third through
16 Eighth Class Counties.--(a) A county may, by ordinance, impose
17 a tax which shall be known as the hotel room rental tax on the
18 consideration received by each operator of a hotel within the
19 county from each transaction of renting a room or rooms to
20 accommodate transients. The tax shall be collected by the
21 operator from the patron of the room and paid over to the county
22 where the hotel is located as provided under this section.

23 (b) The rate of tax imposed under this section shall not
24 exceed five per centum.

25 (c) The treasurer of each county electing to impose the tax
26 authorized under this section shall collect the tax and deposit
27 the revenues received from the tax in a special fund established
28 for that purpose. Subsequent to the deduction for administrative
29 costs established in subsection (g), the county shall distribute
30 to the recognized tourist promotion agency all revenues received

1 from the tax not later than sixty days after receipt of the tax
2 revenues.

3 (d) The revenues from the special fund shall be used by the
4 recognized tourist promotion agency for any of the following
5 purposes:

6 (1) Marketing the area served by the agency as a leisure
7 travel destination.

8 (2) Marketing the area served by the agency as a business,
9 convention or meeting travel destination.

10 (3) Using all appropriate marketing tools to accomplish
11 these purposes, including, but not limited to, advertising,
12 publicity, publications, direct marketing, sales, technology and
13 participation in industry trade shows that attract tourists to
14 the area served by the agency.

15 (4) Programs or grants that are directly and substantially
16 related to tourism within the county, augment and do not compete
17 with private sector tourism efforts and improve and expand the
18 county as a destination market as deemed necessary by the
19 recognized tourist promotion agency.

20 (5) Any other tourism marketing or promotion program or
21 project that does not compete with private sector tourism
22 efforts as deemed necessary by the recognized tourist promotion
23 agency.

24 (e) Each taxable year for any tax imposed under this section
25 shall run concurrently with the county's fiscal year.

26 (f) An audited report or financial statement, as determined
27 by the county in consultation with the recognized tourist
28 promotion agency, on the income and expenditures incurred by a
29 recognized tourist promotion agency receiving any revenues from
30 the tax authorized under this section shall be submitted

1 annually by the recognized tourist promotion agency to the
2 county commissioners.

3 (g) For the purposes of defraying the costs associated with
4 the collection of the tax imposed under this section and
5 otherwise performing its obligations under this section, the
6 county may deduct and retain an administrative fee from the
7 taxes collected under this section. The administrative fee shall
8 be established by the county but shall not exceed five per
9 centum in any taxable year.

10 (h) A penalty of one and one-half per centum per month shall
11 be imposed for failure to timely collect and remit the tax
12 authorized by this section. In addition to other remedies
13 available for collection of debts, the county may file a lien
14 upon the hotel in the name of the county and for the use of the
15 county as provided by law.

16 (i) The following words and phrases when used in this
17 section shall have the meanings given to them in this subsection
18 unless the context clearly indicates otherwise:

19 "Bed and breakfast" or "homestead." A public accommodation
20 consisting of a private residence, which contains ten or fewer
21 bedrooms, used for providing overnight accommodations to the
22 public and in which breakfast is the only meal served and is
23 included in the charge for the room.

24 "Consideration." Receipts, fees, charges, rentals, leases,
25 cash, credits, property of any kind or nature or other payment
26 received by operators in exchange for or in consideration of the
27 use or occupancy by a transient of a room or rooms in a hotel
28 for a temporary period.

29 "County." Any county of the third through eighth class that
30 was authorized to levy a hotel occupancy or room rental tax

1 under the former section 1770.2 or 1770.6.

2 "Hotel." A hotel, motel, inn, guesthouse, rooming house, bed
3 and breakfast, homestead or other structure which holds itself
4 out by any means, including advertising, license, registration
5 with an innkeepers' group, convention listing association,
6 travel publication or similar association or with a government
7 agency, as being available to provide overnight lodging for
8 consideration to persons seeking temporary accommodation; any
9 place which advertises to the public at large or any segment
10 thereof that it will provide beds, sanitary facilities or other
11 space for a temporary period to members of the public at large;
12 any place recognized as a hostelry; or any private campground or
13 any cabins, public campgrounds or cabins or other facilities
14 located on State land or private property. The term does not
15 include any charitable institution, or portion of a facility
16 that is devoted to persons who have an established permanent
17 residence or a college or university student residence hall
18 currently occupied by students enrolled in a degree program, or
19 an educational or religious institution summer camp for
20 children, hospital or nursing home.

21 "Marketing." An action by a recognized tourism promotion
22 agency that includes, but is not limited to, promoting and
23 encouraging visitors to visit a specific county, counties or
24 geographic region.

25 "Occupancy." The use or possession or the right to the use
26 or possession by any person other than a permanent resident of
27 any room in a hotel for any purpose or the right to the use or
28 possession of the furnishings or to the services accompanying
29 the use and possession of the room.

30 "Operator." Any individual, partnership, nonprofit or

1 profit-making association or corporation or other person or
2 group of persons who maintain, operate, manage, own, have
3 custody of or otherwise possess the right to rent or lease
4 overnight accommodations in a building to the public for
5 consideration.

6 "Patron." Any person who pays the consideration for the
7 occupancy of a room or rooms in a hotel.

8 "Permanent resident." A person who has occupied or has the
9 right to occupancy of a room or rooms in a hotel as a patron or
10 otherwise for a period exceeding thirty consecutive days.

11 "Recognized tourist promotion agency." The nonprofit
12 corporation, organization, association or agency which is
13 engaged in planning and promoting programs designed to stimulate
14 and increase the volume of tourist, visitor and vacation
15 business within a county and certified by the county as of the
16 effective date of this subsection or under section 1770.11.

17 "Room." A space in a building set aside for use and
18 occupancy by patrons or otherwise, for consideration, having at
19 least one bed or other sleeping accommodations provided; or, in
20 campgrounds, a space of land set aside for occupancy by patrons
21 or otherwise for consideration.

22 "Transaction." The activity involving the obtaining by a
23 transient or patron of the use or occupancy of a hotel room from
24 which consideration emanates to the operator under an expressed
25 or implied contract.

26 "Transient." An individual who obtains accommodation in a
27 hotel by means of registering at the facility for the temporary
28 occupancy of a room for the personal use of the individual by
29 paying a fee to the operator.

30 Section 1770.11. Certification of Recognized Tourist

1 Promotion Agencies.--(a) A county may certify a nonprofit
2 corporation, organization, association or agency to serve as the
3 county's recognized tourist promotion agency. The county may not
4 have more than one recognized tourist promotion agency.

5 (b) (1) A county must certify a recognized tourist
6 promotion agency under subsection (a) by proper resolution of
7 the governing body of the county, concurred in by resolution of
8 the governing bodies of cities, boroughs, towns or townships
9 within the county which have an aggregate of more than fifty per
10 centum of the total population of the county as determined by
11 the most recently completed Federal decennial census.

12 (2) A recognized tourist promotion agency shall operate
13 until that agency has dissolved as an entity, withdrawn its
14 certification or has been decertified by the county under
15 subsection (c).

16 (c) (1) Notwithstanding any other provision of law, a
17 county may decertify a recognized tourist promotion agency by
18 proper resolution of the governing body of a county, concurred
19 in by resolution of the governing bodies of cities, boroughs,
20 towns or townships within the county which have an aggregate of
21 more than sixty-five per centum of the total population of the
22 county as determined by the most recently completed Federal
23 decennial census.

24 (2) The county shall hold at least one public hearing on
25 decertification no less than seven days before a meeting to
26 adopt a resolution under this subsection.

27 (3) This subsection shall apply to recognized tourist
28 promotion agencies, regardless of the date on which they were
29 recognized under the act of July 4, 2008 (P.L.621, No.50), known
30 as the "Tourism Promotion Act," or certified by the county under

1 this section.

2 Section 3. Nothing in this act shall be construed to require
3 a county that has imposed a tax under the former section 1770.2
4 or 1770.6 to enact a new ordinance to impose the tax under
5 section 1770.10 if all of the following apply:

6 (1) The tax rate in the ordinance imposing the tax under
7 the former section 1770.2 or 1770.6 has not changed.

8 (2) The ordinance imposing the tax under the former
9 section 1770.2 or 1770.6 is otherwise consistent with section
10 1770.10.

11 Section 4. This act shall take effect immediately.