

## AN ACT

1 Amending the act of June 5, 1991 (P.L.9, No.6), entitled "An act  
2 providing for the financial stability of cities of the first  
3 class; establishing an authority empowered to assist cities  
4 of the first class in their financial affairs and to issue  
5 findings and recommendations to cities of the first class and  
6 to the General Assembly; creating the authority and providing  
7 for its powers and duties; authorizing each city of the first  
8 class and the authority to enter into intergovernmental  
9 cooperation agreements and specifying certain terms of such  
10 agreements and ordinances whereby cities of the first class  
11 enter into such agreements; empowering the authority to incur  
12 indebtedness, receive revenues, acquire the obligations of  
13 assisted cities, make loans and offer other financial  
14 assistance to such cities subject to conditions; establishing  
15 procedures for the preparation and review of financial plans  
16 of cities of the first class while bonds of the authority are  
17 outstanding and providing remedies for failure to adhere to  
18 such plans; requiring certain contracts to be consistent with  
19 the financial plan; making certain provisions with respect to  
20 short-term borrowing by cities of the first class;  
21 establishing procedures for handling authority funds, and  
22 providing for certain payments to the authority; providing  
23 security for bonds and notes issued by the authority;  
24 authorizing the creation of a debt service reserve fund and  
25 providing for its maintenance; granting to the holders of the  
26 authority's indebtedness and to the authority certain  
27 remedies in the event of default by the authority or by an  
28 assisted city on authorized obligations; authorizing cities  
29 of the first class to receive financial assistance from the  
30 authority under certain terms and conditions; establishing  
31 the method for the appointment and composition of the  
32 authority board; prohibiting the authority and assisted  
33 cities from filing a petition under Federal bankruptcy

1 statutes; authorizing an appropriation for authority  
2 operating expenses; authorizing cities of the first class to  
3 impose an optional sales and use tax; authorizing cities of  
4 the first class to impose certain taxes for the authority;  
5 authorizing emergency payment deferral; and providing  
6 jurisdiction for challenges to this act," in optional sales  
7 and use tax, further providing for imposition of additional  
8 tax.

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 Section 1. Section 503(d) and (e) of the act of June 5, 1991  
12 (P.L.9, No.6), known as the Pennsylvania Intergovernmental  
13 Cooperation Authority Act for Cities of the First Class, are  
14 amended to read:

15 Section 503. Imposition of additional tax.

16 \* \* \*

17 (d) Rate and uniformity.--

18 (1) The tax authorized by subsections [(a), (b) and (c)]  
19 (a) and (b) may be imposed at a rate of [either 0.5% or 1%.]  
20 0.32%. The tax authorized by subsection (c) may be imposed at  
21 the rate of 1%.

22 (2) The tax imposed by subsections [(a), (b) and (c)]  
23 (a) and (b) shall be uniform.

24 (e) Tax computation.--The tax imposed under subsections (a),  
25 (b) and (c) shall be computed [as follows:

26 (1) In cities imposing the tax authorized by this  
27 section at the rate of 0.5%, the tax shall be computed as  
28 follows:

29 (i) If the purchase price is \$1 or less, no tax  
30 shall be collected.

31 (ii) If the purchase price is \$1.01 or more but less  
32 than \$3.01, 1¢ shall be collected.

33 (iii) If the purchase price is \$3.01 or more but  
34 less than \$5.01, 2¢ shall be collected.

1 (iv) If the purchase price is \$5.01 or more but less  
2 than \$7.01, 3¢ shall be collected.

3 (v) If the purchase price is \$7.01 or more but less  
4 than \$9.01, 4¢ shall be collected.

5 (vi) If the purchase price is \$9.01 or more but less  
6 than \$10.01, 5¢ shall be collected.

7 (vii) If the purchase price is more than \$10, 0.5%  
8 of each \$10 of purchase price plus the above bracket  
9 charges upon any fractional part of a \$10 increment shall  
10 be collected.

11 (2) In cities imposing the tax authorized by this  
12 section at the rate of 1%, the tax shall be computed as  
13 follows:

14 (i) If the purchase price is 50¢ or less, no tax  
15 shall be collected.

16 (ii) If the purchase price is 51¢ or more but less  
17 than \$1.51, 1¢ shall be collected.

18 (iii) If the purchase price is \$1.51 or more but  
19 less than \$2.51, 2¢ shall be collected.

20 (iv) If the purchase price is \$2.51 or more but less  
21 than \$3.51, 3¢ shall be collected.

22 (v) If the purchase price is \$3.51 or more but less  
23 than \$4.51, 4¢ shall be collected.

24 (vi) If the purchase price is \$4.51 or more but less  
25 than \$5.51, 5¢ shall be collected.

26 (vii) If the purchase price is \$5.51 or more but  
27 less than \$6.51, 6¢ shall be collected.

28 (viii) If the purchase price is \$6.51 or more but  
29 less than \$7.51, 7¢ shall be collected.

30 (ix) If the purchase price is \$7.51 or more but less

1 than \$8.51, 8¢ shall be collected.

2 (x) If the purchase price is \$8.51 or more but less  
3 than \$9.51, 9¢ shall be collected.

4 (xi) If the purchase price is \$9.51 or more but less  
5 than \$10.01, 10¢ shall be collected.

6 (xii) If the purchase price is more than \$10, 1% of  
7 each \$10 purchase price plus the above bracket charges  
8 upon any fractional part of a \$10 increment shall be  
9 collected.] by the department. The department shall  
10 transmit the computation to the Legislative Reference  
11 Bureau for publication in the Pennsylvania Bulletin.

12 Section 2. The Secretary of the Commonwealth shall submit to  
13 the Legislative Reference Bureau a notice for publication in the  
14 Pennsylvania Bulletin if the General Assembly has enacted all of  
15 the following:

16 (1) An act that reduces the rate of tax imposed under  
17 section 3152-B of the act of July 28, 1953 (P.L.723, No.230),  
18 known as the Second Class County Code, in a manner that would  
19 result in the revenue generated by the tax imposed under  
20 section 3152-B of the Second Class County Code, being revenue  
21 neutral, subject to the repeal of exclusions described under  
22 paragraph (2), in comparison to the amount generated in the  
23 prior fiscal year.

24 (2) An act that repeals the exclusions from the tax  
25 imposed under Article II of the act of March 4, 1971 (P.L.6,  
26 No.2), known as the Tax Reform Code of 1971.

27 (3) An act that reduces the amount deposited into the  
28 Public Transportation Trust Fund under 74 Pa.C.S. § 1506(c)  
29 (1).

30 Section 3. This act shall take effect as follows:

1           (1) Section 2 of this act and this section shall take  
2 effect immediately.

3           (2) The remainder of this act shall take effect upon  
4 publication of the notice under section 2 of this act.