

LOCAL TAX ENABLING ACT - DELEGATION OF TAXING POWERS AND  
RESTRICTIONS THEREON

Act of May. 6, 2014, P.L. 642, No. 42

Cl. 53

Session of 2014  
No. 2014-42

HB 1513

AN ACT

Amending the act of December 31, 1965 (P.L.1257, No.511), entitled "An act empowering cities of the second class, cities of the second class A, cities of the third class, boroughs, towns, townships of the first class, townships of the second class, school districts of the second class, school districts of the third class and school districts of the fourth class including independent school districts, to levy, assess, collect or to provide for the levying, assessment and collection of certain taxes subject to maximum limitations for general revenue purposes; authorizing the establishment of bureaus and the appointment and compensation of officers, agencies and employes to assess and collect such taxes; providing for joint collection of certain taxes, prescribing certain definitions and other provisions for taxes levied and assessed upon earned income, providing for annual audits and for collection of delinquent taxes, and permitting and requiring penalties to be imposed and enforced, including penalties for disclosure of confidential information, providing an appeal from the ordinance or resolution levying such taxes to the court of quarter sessions and to the Supreme Court and Superior Court," further providing for delegation of taxing powers and restrictions thereon.

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

Section 1. Section 301.1 of the act of December 31, 1965 (P.L.1257, No.511), known as The Local Tax Enabling Act, is amended by adding a subsection to read:

Section 301.1. Delegation of Taxing Powers and Restrictions Thereon.--\* \* \*

**(a.1) (1) A local taxing authority may levy a tax on the privilege of doing business in the jurisdiction of the local taxing authority if:**

**(i) the privilege is exercised by conducting transactions in the jurisdiction of the levying local taxing authority for all or part of fifteen or more calendar days within the calendar year; or**

**(ii) the privilege is exercised through a base of operations in the jurisdiction of the levying local taxing authority. The gross receipts subject to this tax shall not include any receipts subject to a tax measured by such gross receipts which is imposed under subparagraph (i).**

**(2) As used in this subsection, the term "base of operations" shall mean an actual, physical and permanent place of business from which a taxpayer manages, directs and controls its business activities at that location.**

\* \* \*

Section 2. This act shall apply to taxable years commencing on or after January 1, 2014.

Section 3. This act shall take effect immediately.

APPROVED--The 6th day of May, A.D. 2014.

TOM CORBETT