THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No.   2258   Session of 2020

INTRODUCED BY PEIFER, ECKER, METZGAR, BROOKS, PICKETT, NEILSON, RYAN, YOUNGBLOOD, SCHLEGEL CULVER, MILLARD, SIMS AND WHEELAND, JANUARY 30, 2020

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, FEBRUARY 5, 2020

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 realty transfer tax, correcting a scrivener's
11   error relating to credits against tax.

12   The General Assembly of the Commonwealth of Pennsylvania

13   hereby enacts as follows:

14   Section 1. The General Assembly finds and declares as   <--

15   follows:

16   (1) An error appeared in the publication of section 12

17   of the act of July 2, 1986 (P.L.318, No.77): The addition of

18   section 1103-C(c) of the act of March 4, 1971 (P.L.6, No.2),

19   known as the Tax Reform Code of 1971, used the word "devise"

20   instead of the word "demise" and the word "devised" instead

21   of the word "demised." The publication of the official law,

1   without a footnote, does not match the enrolled bill nor

2   comport with the interpretive regulation of the Department of

3   Revenue at 61 Pa. Code §§ 91.111(a) (relating to imposition

4   of tax on documents) and 91.112(a) (relating to statement of

5   value).

6   (2) The error is corrected by the amendment of section

7   1103-C(c) of the Tax Reform Code of 1971.

8   Section 2. Section 1103-C(c) of the act of March 4, 1971

9   (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended

10 to read:

11 Section 1103-C. Credits Against Tax.--* * *

12   (c) Where there is a transfer of real estate which is

13 [devised] demised by the grantor, a credit for the amount of tax

14 paid at the time of the [devise] demise shall be given the

15 grantor toward the tax due upon the transfer.

16   * * *

17 Section 3. This act shall take effect immediately.

18   SECTION 1. THE GENERAL ASSEMBLY FINDS AND DECLARES AS   <--

19 FOLLOWS:

20   (1) AN ERROR APPEARED IN THE PUBLICATION OF SECTION 8 OF

21 THE ACT OF JULY 2, 1986 (P.L.318, NO.77): THE AMENDMENT OF

22 THE DEFINITION OF "DOCUMENT" IN SECTION 1101-C OF THE ACT OF

23 MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF

24 1971, USED THE WORD "DEVISES" INSTEAD OF THE WORD "DEMISES"

25 AND THE WORD "DEVISE" INSTEAD OF THE WORD "DEMISE."

26   (2) AN ERROR APPEARED IN THE PUBLICATION OF SECTION 11

27 OF ACT 77 OF 1986: THE ADDITION OF SECTION 1102-C.4 OF THE

28 TAX REFORM CODE OF 1971, USED THE WORD "DEVISE" INSTEAD OF

29 THE WORD "DEMISE."

30   (3) AN ERROR APPEARED IN THE PUBLICATION OF SECTION 12

1   OF ACT 77 OF 1986: THE ADDITION OF SECTION 1103-C(C) OF THE

2   TAX REFORM CODE OF 1971, USED THE WORD "DEVISE" INSTEAD OF

3   THE WORD "DEMISE" AND THE WORD "DEVISED" INSTEAD OF THE WORD

4   "DEMISED."

5   (4)   THE PUBLICATION OF THE OFFICIAL LAW, WITHOUT A

6   FOOTNOTE, DOES NOT MATCH THE ENROLLED BILL NOR COMPORT WITH

7   THE INTERPRETIVE REGULATION OF THE DEPARTMENT OF REVENUE AT

8   61 PA. CODE §§ 91.111(A) (RELATING TO IMPOSITION OF TAX ON

9   DOCUMENTS) AND 91.112(A) (RELATING TO STATEMENT OF VALUE).

10   (5)   THE ERRORS ARE CORRECTED BY THE AMENDMENT OF THE

11   DEFINITION OF "DOCUMENT" IN SECTION 1101-C AND SECTIONS 1102-

12   C.4 AND 1103-C(C) OF THE TAX REFORM CODE OF 1971.

13   SECTION 2. THE DEFINITION OF "DOCUMENT" IN SECTION 1101-C OF

14   THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM

15   CODE OF 1971, IS AMENDED TO READ:

16   SECTION 1101-C. DEFINITIONS.--THE FOLLOWING WORDS WHEN USED

17   IN THIS ARTICLE SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN THIS

18   SECTION:

19   * * *

20   "DOCUMENT." ANY DEED, INSTRUMENT OR WRITING WHICH CONVEYS,

21   TRANSFERS, [DEVISES] DEMISES, VESTS, CONFIRMS OR EVIDENCES ANY

22   TRANSFER OR [DEVISE] DEMISE OF TITLE TO REAL ESTATE IN THIS

23   COMMONWEALTH, BUT DOES NOT INCLUDE WILLS, MORTGAGES, DEEDS OF

24   TRUST OR OTHER INSTRUMENTS OF LIKE CHARACTER GIVEN AS SECURITY

25   FOR A DEBT AND DEEDS OF RELEASE THEREOF TO THE DEBTOR, LAND

26   CONTRACTS WHEREBY THE LEGAL TITLE DOES NOT PASS TO THE GRANTEE

27   UNTIL THE TOTAL CONSIDERATION SPECIFIED IN THE CONTRACT HAS BEEN

28   PAID OR ANY CANCELLATION THEREOF UNLESS THE CONSIDERATION IS

29   PAYABLE OVER A PERIOD OF TIME EXCEEDING THIRTY YEARS OR

30   INSTRUMENTS WHICH SOLELY GRANT, VEST OR CONFIRM A PUBLIC UTILITY

1 EASEMENT. "DOCUMENT" SHALL ALSO INCLUDE A DECLARATION OF

2 ACQUISITION REQUIRED TO BE PRESENTED FOR RECORDING UNDER SECTION

3 1102-C.5 OF THIS ARTICLE.

4 * * *

5 SECTION 3. SECTIONS 1102-C.4 AND 1103-C(C) OF THE ACT ARE

6 AMENDED TO READ:

7 SECTION 1102-C.4. DOCUMENTS RELATING TO ASSOCIATIONS OR

8 CORPORATIONS AND MEMBERS, PARTNERS, STOCKHOLDERS OR SHAREHOLDERS

9 THEREOF.--EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 1102-C.3 AND

10 1102-C.5, DOCUMENTS WHICH MAKE, CONFIRM OR EVIDENCE ANY TRANSFER

11 OR [DEVISE] DEMISE OF TITLE TO REAL ESTATE BETWEEN ASSOCIATIONS

12 OR CORPORATIONS AND THE MEMBERS, PARTNERS, SHAREHOLDERS OR

13 STOCKHOLDERS THEREOF ARE FULLY TAXABLE. FOR THE PURPOSES OF THIS

14 ARTICLE, CORPORATIONS AND ASSOCIATIONS ARE ENTITIES SEPARATE

15 FROM THEIR MEMBERS, PARTNERS, STOCKHOLDERS OR SHAREHOLDERS.

16 SECTION 1103-C. CREDITS AGAINST TAX.--* * *

17 (C) WHERE THERE IS A TRANSFER OF REAL ESTATE WHICH IS

18 [DEVISED] DEMISED BY THE GRANTOR, A CREDIT FOR THE AMOUNT OF TAX

19 PAID AT THE TIME OF THE [DEVISE] DEMISE SHALL BE GIVEN THE

20 GRANTOR TOWARD THE TAX DUE UPON THE TRANSFER.

21 * * *

22 SECTION 4. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.