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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 58 Session of  
2013

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INTRODUCED BY STURLA, FRANKEL, O'BRIEN, BROWNLEE, NEILSON,  
THOMAS AND CALTAGIRONE, JANUARY 10, 2013

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REFERRED TO COMMITTEE ON EDUCATION, JANUARY 10, 2013

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AN ACT

1 Providing for the dedicated funding of higher education; and  
2 establishing the Higher Education Fund.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Higher  
7 Education Funding Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall  
10 have the meanings given to them in this section unless the  
11 context clearly indicates otherwise:

12 "Department." The Department of Revenue of the Commonwealth.

13 "Fund." The Higher Education Fund established in section 5.

14 "State-related institution." The Pennsylvania State  
15 University, the University of Pittsburgh, Lincoln University or  
16 Temple University.

17 "Tax Reform Code." The act of March 2, 1971 (P.L.6, No.2),  
18 known as the Tax Reform Code of 1971.

1 Section 3. Sales and use surtax.

2 A surtax of 1% shall be imposed on the purchase price of  
3 property and services subject to taxation under Article II of  
4 the Tax Reform Code. The surtax shall be in addition to the tax  
5 imposed under Article II of the Tax Reform Code.

6 Section 4. Computation of sales and use tax and sales and use  
7 surtax.

8 (a) Schedule establishment.--Within 30 days of the effective  
9 date of this section, the department shall establish a schedule  
10 for the computation of the State sales and use tax under Article  
11 II of the Tax Reform Code and the sales and use surtax as  
12 established under this act.

13 (b) Schedule publication.--The department shall publish the  
14 schedule providing for the computation of the sales and use tax  
15 and the State sales and use surtax in the Pennsylvania Bulletin  
16 immediately succeeding the establishment of the schedule.

17 Section 5. Higher Education Fund.

18 (a) Fund established.--A special fund is established in the  
19 State Treasury to be known as the Higher Education Fund.  
20 Interest income derived from investment of the money in the fund  
21 shall be credited by the Treasury Department to the fund.

22 (b) Revenues.--Revenues deposited in the fund may only be  
23 used to fund the member institutions of the State System of  
24 Higher Education, community colleges, State-related institutions  
25 and the Thaddeus Stevens College of Technology.

26 Section 6. Transfer to fund.

27 Within 30 days of the close of any calendar month, the  
28 revenue generated in the previous month from the sales and use  
29 surtax imposed under this act shall be transferred to the fund.

30 Section 7. Certification.

1 (a) Annual.--By April 15 of each fiscal year, the Secretary  
2 of the Budget shall certify the total amount of revenue that is  
3 reasonably projected to be deposited into the fund for the  
4 period through June 30 of the current fiscal year.

5 (b) Excess.--If the actual revenue deposited into the fund  
6 in any one fiscal year exceeds the amount certified in this  
7 section, any revenue in excess of projections may be used in the  
8 current fiscal year or in the certification for the subsequent  
9 fiscal year.

10 Section 8. Construction.

11 The provisions of Article II of the Tax Reform Code shall  
12 apply to the imposition and implementation of the surtax.

13 Section 20. Effective date.

14 This act shall take effect immediately.