

TO: Lester K. Fryer, Chairman, Local Government Committee

FROM: John H. Broujos, Counsel

SUBJECT: House Bill 1755, Printer's No. 2182 - Removing occupations as subject of taxation,
4th to 8th Class Counties

REF: 72 PS 5453.201

MUNICIPALITY AND LAW AFFECTED: Counties of 4th through 8th Class, affecting taxation of counties, boroughs, towns, townships, schools (except in cities) poor and county institution districts. Act of May 21, 1943, PL 571, Section 201 (b)

PROVISIONS

Purpose: To remove occupations as a subject of taxation.

Section 1 (Section 201 b) : Is amended to remove "salaries and emoluments of office, all offices and posts of profit, professions, trades and occupations," to remove from imposition of tax. The effect is to tax only persons only over the age of 21 years.

COMMENT:

b. At present it taxes all salaries and professions and occupations and all persons over the age of 21 years who do not follow any occupation or calling as well as unnaturalized foreign born persons residing within the Commonwealth. The effect of the act is to remove the salaries and occupations tax and to leave a "head" tax.

Section 2 (Section 601): This section is amended to remove persons as an object of receiving an assessment for the purposes of the tax imposed in sub-paragraph 201 (b).

RELATED LEGISLATION: House Bill 1678 enacted as Act 137 on 6/16/72 reduced the age of persons subject to tax from 21 to 18 years.

July 11, 1972