



Text File

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Presented by Mr. Peduto

Ordinance supplementing the Pittsburgh Code, Title Two, Fiscal; Article VII, Business Related Taxes, by adding Chapter 259, Post-Secondary Education Privilege Tax (*also known as the Tuition Tax*)

**The Council of the City of Pittsburgh hereby enacts as follows:**

**Section 1.** The Pittsburgh Code, Title Two Fiscal; Article VII, Business Related Taxes, is hereby supplemented by adding Chapter 259, Post-Secondary Education Privilege Tax, which shall read as follows:

CHAPTER 259

POST-SECONDARY EDUCATION PRIVILEGE TAX

Section 259.01 DEFINITIONS.

The following words and phrases, when used in this Chapter, shall have the meanings given to them in this section unless the context clearly indicates otherwise:

- (a) ATTENDANCE means any and all forms of participation in a learning process by a student when the education, instruction or training is conducted in or originates from a classroom or any other site located within the City.
- (b) CONSIDERATION means the tuition charged to a student at the time of registration or anytime thereafter and either paid by or on behalf of a student or credited to a student's account as the result of scholarships, grants, stipends, awards, loans or any other form of credit or allowance.
- (c) INSTITUTION OF POST-SECONDARY EDUCATION means an institution which provides education or training for consideration to students and which offers degrees, diplomas, certificates, credits, receipts, vouchers or any other form of documentation to verify registration or attendance. Nurseries, preschools, day care centers, kindergartens, as well as elementary, middle or high schools covering grades one through twelve, are not institutions of post-secondary education. Institutions of post-secondary education shall include, but shall not be limited to, universities, colleges, technical and trade schools and any other schools which offer professional training, career enhancement or skill instruction and improvement classes or lessons.

(d) STUDENT means a person who attends classes or participates in any other form of education, instruction or training offered by an institution of post-secondary education located within the City.

Section 259.02 LEVY AND RATE.

A tax for general revenue purposes is hereby levied upon the privilege of attending an institution of post-secondary education located within the City at the rate of one percent (1%) of the total consideration charged by the institution to each student for attendance. The tax shall be collected by the institution from each student at the time of registration and shall be remitted to the Treasurer as provided in this Chapter.

Section 259.03 TRUST.

All taxes collected by an institution of post-secondary education pursuant to this Chapter shall constitute a trust fund for the benefit of the City. Each institution of post-secondary education shall collect the tax imposed by the Chapter and shall be liable as an agent of the City to remit the tax to the Treasurer. Any institution required under this Chapter to collect tax from a student which shall fail to do so shall be liable to the City for such tax as if the tax had been collected in full from the student.

Section 259.04 RETURNS AND PAYMENT.

Each institution of post-secondary education, on forms prescribed by the Treasurer, shall file by the fifteenth day of each month a return for the preceding month showing the consideration charged with respect to each student during the preceding month together with the amount of tax due and collected. At the time of filing the return, the institution shall pay to the Treasurer all tax due and collected for the period to which the return is applicable. In the event no consideration was charged and/or collected during the preceding month, the institution shall file a return for that month reflecting such.

Section 259.05 COLLECTION.

The Treasurer shall collect by suit or otherwise all taxes, interest, costs, fines and penalties due under this Chapter and unpaid. If an institution of post-secondary education neglects, refuses or otherwise fails to file any report or make any payment as herein required, an additional five percent (5%) of the amount of the tax shall be added by the Treasurer and collected as a penalty for every month or fraction of a month that the tax remains unpaid, the penalty not to exceed fifty percent (50%) of the amount of the tax.

Section 259.06        RECORDS.

Each institution of post-secondary education shall maintain complete and accurate records for each student, reflecting the total amount of consideration charged for each student and the amount of tax collected. All records shall be retained by the institution for inspection and audit by the Treasurer for a period of five (5) years subsequent to the year during which the tax was collected or should have been collected.

Section 259.07        VIOLATIONS.

In addition to any other fines, penalties or charges specified in this Title, any institution of post-secondary education which violates any provision of this Chapter shall be subject to an additional penalty of one thousand dollars (\$1,000.00) for the first offense, two thousand dollars (\$2,000.00) for the second offense, and three thousand dollars (\$3,000.00) for each offense thereafter. Failure to collect and/or remit the tax levied under this Chapter shall be deemed to be a separate offense as to each student.

Section 259.08        SEVERABILITY.

The provisions of this Chapter are severable and if any provision, sentence, clause, section or part thereof is determined to be illegal, invalid, unconstitutional or inapplicable to any person or circumstance by a court of law, such illegality, invalidity, unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Chapter or their application to other persons or circumstances. It is hereby declared to be the legislative intent of Council that the Post-Secondary Education Privilege Tax would have been levied if such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included, and if the person or circumstance to which this Chapter or any part thereof is inapplicable, had been specifically exempted therefrom.

Section 2.        This Ordinance is enacted under the authority of the Act of December 31, 1965, P.L. 1257, as amended, known as the Local Tax Enabling Act, and shall take effect as of January 1, 2010.