



Text File

Introduced: 3/7/2022

Bill No: 2022-0174, **Version:** 1

Committee: Committee on Hearings

Status: Died due to expiration of legislative council session

Ordinance, amending and supplementing the Pittsburgh City Code at Title Two: Fiscal, Article VII: Business Related Taxes, by adding chapter 257: Medical and Higher-Education Facilities User Privilege Tax, pursuant to the Authority of the Local Tax Enabling Act, 1965, December 31, P.L. 1257, et seq. and the City of Pittsburgh Home Rule Charter.

(Needs to be held for a Public Hearing)

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

Section 1. The Pittsburgh Code is hereby supplemented by the addition of the following new chapter:

CHAPTER 257: MEDICAL AND HIGHER-EDUCATION FACILITIES USER PRIVILEGE TAX

257.01 - PURPOSE

Whereas, users of tax exempt medical and higher-education institutions located in the City of Pittsburgh, who may or may not be residents of the City, are entitled to receive, and do receive, essential services rendered by the City, including, but not limited to, recreational programs and facilities, emergency treatment, sanitation services, and police and fire protection; and, whereas, such users contribute to a greater need for maintenance for all City services as well as City streets and bridges, parks, traffic controls, waste disposal facilities and similar properties; and, whereas, institutions furnishing services to such users are exempt from all City taxation and are, therefore, subsidized to a great extent by taxpayers of the City, the Council of the City of Pittsburgh finds it reasonable and just that users of such tax exempt facilities who purchase the superior medical and higher-educational services that are available in the City, pay an appropriate tax for general revenue purposes, enacted pursuant to the Local Tax Enabling Act and to Pittsburgh Home Rule powers.

257.02 - DEFINITIONS

As used in this Chapter, the following words and phrases shall have these meanings:

- (a) 'Consideration' - the amount charged or claimed by a medical or higher-educational institutions to be due for its services to a user, in whatever form and of whatever nature, including, but not limited to, fees, credits, payments (including those made by third parties, insurers or governmental agencies on behalf of the user, tuition, contributions, grants and exception: 'consideration' shall not include funds contributed by the public at large or any member thereof to the medical or higher-educational facility as a donation made without regard to services furnished to, obtained by or purchased for any individual user or patron, or contributed as part of a general fund-raising drive or effort.
- (b) 'Services' - any activities, transactions, instructions, care, aid, assistance, advice or other benefit rendered to users for consideration.
- (c) 'Medical facility' - any foundation, partnership, corporation, unincorporated association or other entity

Committee: Committee on Hearings

Status: Died due to expiration of legislative council session

operating under a non-profit charter or organized as non-profit by the Commonwealth for health-related or medical purposes which is founded, endowed and maintained as a purely public charity, including, but not limited to, hospitals, clinics, rehabilitation facilities and any other facility furnishing medical, therapeutic, psychological or vocational care except as incidental to a residence for mentally, physically or age incapacitated persons.

(d) 'Higher-educational facility' - any foundation, partnership, corporation, unincorporated association, or other entity operating under a non-profit charter and organized under Commonwealth law to provide educational services of an advanced nature, i.e., superior to high school or secondary school, including, but not limited to, colleges, universities and advanced technical schools which grant degrees or certificates superior to a high school diploma or its equivalent.

(e) 'Taxpayer' - any person required to pay or collect the tax imposed by this Chapter.

257.03 - IMPOSITION OF TAX

Every user of the services of a medical or higher-educational facility located in the City of Pittsburgh shall pay a tax for general revenue purposes on the privilege exercised by such user at the rate of one (1) percent of the total consideration charged or claimed for such services by the facility.

257.04 - COLLECTION

(a) Each medical or higher-educational facility which offers services to users for consideration shall collect the tax imposed by this Chapter from the user and shall remit the tax collected to the Treasurer.

(b) Each medical or higher-educational facility which furnishes services to any user for consideration shall provide the user of the services with a separate entry on the bill, invoice, reckoning or other statement of account rendered to the user the amount of the tax due under this Charter and shall be liable to the City for remitting the tax due to the Treasurer.

(c) Failure or omission of any medical or educational facility to identify the amount of the tax required under this Chapter as a separate entry on the statement of account or to collect and/or remit the tax due from the user shall not relieve any taxpayer from the duty to pay the tax which should have been separately stated, collected and remitted; and the Treasurer has the discretion of enforcing the tax in accordance with any remedy available against any taxpayer.

(d) Any medical or higher-educational facility which remits the tax imposed herein to the City within the time provided by this Chapter may deduct two (2) percent for the cost of collection.

(e) Every medical or higher-educational facility which willfully or negligently fails or omits to collect the tax required by this Chapter or to pay it over to the Treasurer shall be liable for payment of taxes which it was required to collect as agent for the City to the extent that such taxes have not been recovered.

(f) Each receipt for payment furnished by the medical or educational facility to the user of its services shall include notification to the user that the tax imposed by this Chapter has been collected and remitted to the Treasurer.

257.05 - REGISTRATION AND RECORDS

(a) Each medical or higher-educational facility offering services to users for consideration shall register with the Treasurer of the City within one month after the passage of this Chapter or within one month after it initially commences to offer services to users for consideration.

Committee: Committee on Hearings

Status: Died due to expiration of legislative council session

(b) Each medical or higher-educational facility shall maintain a separate and complete record of the amount charged or claimed from each user with respect to each service rendered together with the total amount of tax collected.

(c) These records shall be available upon request of the Treasurer for audit. Failure to keep complete records or to make records available to the Treasurer may result in a jeopardy assessment.

257.06 - RETURNS AND PAYMENTS

On or before the 15th day of March, June, September and December, each medical or higher-educational facility which has collected tax from users during the preceding three months, shall file, on forms prescribed by the Treasurer, returns for the preceding quarterly period showing the consideration received with respect to services furnished to users during that quarter together with the amount of tax collected thereupon. At the time of filing the return, the facility shall pay over to the Treasurer all taxes due and collected for the period for which the tax return applies as agents for payment of same to the City Treasurer.

257.07 - CREDIT

City of Pittsburgh taxpayers who are subject to and have paid the tax imposed under Chapter 246 of this Title are entitled to credit for such payment against the tax imposed by this Chapter. On or after January 1st of the succeeding tax year, any taxpayer entitled to such credit may receive a refund of taxes imposed hereunder during the current tax year by presenting evidence of payment collected by medical or higher-educational facility together with evidence of payment of the tax imposed by Chapter 246 to the Treasurer. unused credit may be carried forward and applied in the succeeding tax year.

257.08 - SEVERABILITY

If final decision of a court of competent jurisdiction holds any provision of this Ordinance, or the application of any provision of this Ordinance to any person, to be illegal or unconstitutional, the other provisions of this Ordinance or the application of such provisions shall remain in full force and effect. It is the intention of Council that the provisions of this Ordinance are severable and that Ordinance would have been adopted if any such illegal or unconstitutional provisions had not been included.

257.09 - EFFECTIVE DATE

This ordinance shall take effect thirty (30) days after its final passage and shall remain in effect from year to year on a calendar year basis until repealed or amended.