

Section 11. Section 602 of the act, added May 24, 1956 (P. L. 1707), is amended to read:

Section 602. Sales Presumed to be at Retail.—

Every sale of tangible personal property or services described in subclauses (2), (3) and (4) of section 2 (j) shall be presumed to be at retail and to be subject to the tax imposed by this act.

Section 12. The act is amended, by adding after section 604. \*a new \*\*section to read:

Section \*\*\*604.1. *Disposition of Proceeds.*—All taxes collected under the provisions of this act shall be used for purposes of public education in so far as permitted by the requirements of the Constitution of Pennsylvania.

Section \*\*\*\*13. *Saving Clause.*—Nothing contained in this amendatory act shall be construed to relieve any person from any taxes, penalties or interest or the filing of returns imposed or required by the provisions of this act prior to the effective date of this amendment or affect or terminate any petitions, investigations, prosecutions, legal or otherwise, or other proceedings pending under the provisions of this act prior to the effective date of this amendment, or prevent the commencement or further prosecution of any proceedings by the proper authorities of the Commonwealth for violation of such act, or for the assessment, collection or recovery of taxes, penalties or interest due or owing the Commonwealth under this act prior to the effective date of this amendment.

Section \*\*\*\*\*14. This act shall take effect immediately.

- "two" in original.
- "sections" in original.
- "605" in original.
- "606" in original.
- "13" in original.

APPROVED—The 15th day of April, A. D. 1959.

DAVID L. LAWRENCE

No. 15

AN ACT

Amending the Act of March 6, 1956 (P. L. 1256), entitled "An act imposing a tax on the occupancy of rooms in hotels, inns, motels, tourist homes, houses, or courts, lodging houses and rooming houses, defined herein as hotels; prescribing the manner of collecting the tax; providing for licenses; imposing duties on and prescribing powers of the Department of Revenue; and fixing penalties," increasing the rate of tax, clarifying the liability of hotel operators for tax collections, providing standards for commission allowances.

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

Section 602, act of March 6, 1956, P. L. 1228, added May 24, 1956, P. L. 1707, amended.

Act of March 6, 1956, P. L. 1228, amended by adding a new section 604.1.

Saving clause.

Effective immediately.

The Hotel Occupancy Tax Act.

Sections 201, 203 and 205, Article II, act of March 6, 1956, P. L. 1256, amended.

Section 1. Sections 201, 203 and 205 of Article II, act of March 6, 1956 (P. L. 1256), known as "The Hotel Occupancy Tax Act," are amended to read:

Section 201. Imposition of Tax.—An excise tax of three *and one-half* per centum of the rent thereof is hereby imposed upon every occupancy of a room or rooms in a hotel in this Commonwealth: *Provided, however, That where the tax percentage imposition results in a tax sum which contains a fraction of a cent such fractional cent shall be increased to the next highest even cent.* [which] *The tax shall be collected by the operator from the occupant and paid over to the Commonwealth as herein provided.*

Section 203. Tax to be Paid by Occupants.—It is hereby stated as the legislative intent that the tax imposed hereby shall be paid by the occupant *to the operator except that any taxpayer required under this act to collect tax from the occupant who shall fail to collect the proper amount of such tax shall be liable for the full amount of the tax which he should have collected.* The amount of the tax shall be added to the rent, and shall constitute a part of the rent price (though a separate item as hereinbefore provided), and shall be collectible as such.

Section 205. [Compensation to Operator for Collection and Return] *Commissions.*—For the purpose of compensating operators for the keeping of prescribed records and the proper accounting and remitting of taxes by them, such operators shall be allowed a commission of two per centum of the amount of the tax [due] *collected by him* and accounted for and remitted to the department, which commission shall be allowed in the form of a *credit* deduction in submitting the report of such operator and the payment of the amount due by him. Such [compensation,] *commission* [or allowance] shall not be granted nor shall any deduction be permitted with respect to any taxes not paid on or before the due date thereof, or where there is a [manifest] failure to maintain proper records *in accordance with proper accounting and business practices*, or make proper prescribed reports *or returns.*

Effective immediately.

Section 2. This act shall take effect immediately.

APPROVED—The 15th day of April, A. D. 1959.

DAVID L. LAWRENCE