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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1389 Session of  
2023

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INTRODUCED BY SHUSTERMAN, HILL-EVANS, MADDEN, CIRESI, SANCHEZ,  
SIEGEL, NEILSON, BRIGGS, CONKLIN AND GREEN, JUNE 13, 2023

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REFERRED TO COMMITTEE ON TOURISM AND ECONOMIC AND RECREATIONAL  
DEVELOPMENT, JUNE 13, 2023

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AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," in sales and use tax, further providing for  
11 Tourism Promotion Fund.

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

14 Section 1. Section 212(c.2) and (d) of the act of March 4,  
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are  
16 amended to read:

17 Section 212. Tourism Promotion Fund.--\* \* \*

18 (c.2) The following shall apply:

19 (1) No more than fifty per cent of the [funds] money  
20 available for disbursement under subsection (b) may be  
21 distributed for the purposes of promotion or marketing  
22 operations of a tourism entity or for special events or grants,\_\_\_

1 including grants for destination marketing.

2 (2) [Funding] Except for destination marketing grants, money  
3 for the promotion or marketing operations of a tourism entity,  
4 special events or grants shall require a fifty per cent cash or  
5 in-kind match.

6 (3) A single recipient of [funding] money under paragraph  
7 (2) may not be awarded more than fifteen per cent of the total  
8 [funds] money available for disbursement under subsection (b).  
9 This paragraph shall not apply to contracts entered into by the  
10 department for Statewide tourism promotion or marketing.

11 \* \* \*

12 (d) As used in this section, the following words and phrases  
13 shall have the meanings given to them in this subsection unless  
14 the context clearly indicates otherwise:

15 "Department." The Department of Community and Economic  
16 Development of the Commonwealth.

17 "Destination marketing." Marketing in the travel industry  
18 that promotes a specific location and the location's benefits  
19 instead of the product or service that a company offers.

20 "Fund." The Tourism Promotion Fund established under  
21 subsection (a).

22 "Promoting tourism." Activities and expenditures designed to  
23 increase tourism, including, but not limited to, the following:

24 (1) Advertising, publicizing or otherwise distributing  
25 information for the purpose of attracting and welcoming  
26 tourists.

27 (2) Developing strategies to expand tourism.

28 (3) Funding the promotion or marketing operations of a  
29 tourism entity.

30 (4) Funding marketing and operations of special events and

1 festivals designed to attract tourists.

2 "Tourism entity." A "tourism promotion agency" as defined in  
3 section 2 of the act of July 4, 2008 (P.L.621, No.50), known as  
4 the "Tourism Promotion Act," destination marketing organization  
5 or regional attractions marketing agency.

6 Section 2. This act shall take effect in 60 days.