



CITY OF PITTSBURGH

AMUSEMENT TAX

REGULATIONS

Issued Pursuant to the
City of Pittsburgh
City Code, Title II
Article VII, Chapter 241

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AMUSEMENT TAX REGULATIONS

ARTICLE I GENERAL PROVISIONS

SECTION 101 – DEFINITIONS

AMUSEMENT – all manner and forms of diversion, sport, pastime, and entertainment, including, but not limited to, concerts, shows, theatres, piers, exhibitions, movies, vaudeville, circus, carnival and side shows; all forms of entertainment at fair grounds and amusement parks; race tracks, contests or feats of talent or skill, athletic contests including wrestling matches, boxing and sparring exhibitions, football, basketball and baseball games, skating, golfing, tennis, hockey, bathing, swimming, archery, shooting, riding, dancing and all other forms of diversion, sport, recreation or pastime; shows, exhibitions, contests, displays and games, and all other methods of obtaining admission charges, donations, contributions or monetary charges of any character, from the general public or a limited or selected number thereof, directly or indirectly, in return for other than tangible property, or specific personal professional services. The term amusement includes admission fees paid to access places of entertainment, exhibition, or amusement or to a sporting event or show. The term amusement specifically includes trade shows, exhibitions, builder or homes shows, equipment shows, craft shows, and tasting events. The term amusement does not include any Exempt Amusement or any amusement located outside the City limits. In the case of an amusement that is mobile or located outdoors, an amusement is located in the City limits if the event either begins or ends within the City limits.

By way of example, but not intended as comprehensive definition of amusement, a restaurant, bar, tavern, pub, lounge, motel, or hotel is not a place of amusement if it merely offers incidental recorded music or TV broadcasts to patrons. A restaurant, bar, tavern, pub, lounge, motel, or hotel is a place of amusement if it offers entertainment such as music, dance, performing arts, sing-alongs, or comedy routines, or restricted sporting events not available on broadcast TV, such as title boxing matches, to patrons.

ESTABLISHED PRICE - regular monetary charge of any character, including donations and contributions, fixed and exacted or in any manner received by Producers, as herein defined, from the general public or a limited or selected number thereof, directly or indirectly, for the privilege of attending or engaging in any amusement, provided that;

1. When amusement is conducted in any roof garden, night club, cabaret, bar, brewery, restaurant or other place where the charge for admission, wholly or in part, is included in the price paid for refreshment, service or merchandise, the amount paid for admission to the amusement shall be deemed to be ten (10%) percent of the amount paid for refreshment, service and merchandise;
2. When amusement is conducted at a social club or fraternal organization which also furnishes entertainment for which a separate charge is not made, the established price shall be fifty (50%) percent of the gross receipts;

3. Where admission to any amusement sponsored by an Institution of Purely Public Charity is obtained, solely or partly by donation, contribution and other charge, if members of the general public are admitted and the amusement is not an Exempt Amusement, the established price for amusement for purposes of the tax shall be twenty-five (25%) percent of the total donation, contribution and other monetary charge.
4. Separately stated charges for the rental of tangible personal property, where such charges reflect market pricing for such rentals, such as the rental of sports equipment by a Producer offering recreation, are not part of the Established Price and are not subject to Amusement Tax. If the Producer collects sales tax from the patron for the rental, such will establish that the rental price reflects market pricing.

EXEMPT AMUSEMENTS

1. The term amusement shall not include private affairs sponsored by nonprofit organizations for members and their guests at which the admission charges or contribution approximate the expenses and the net proceeds, net of reasonable expenses, inure exclusively to benefit the nonprofit organization. However, if members of the general public are invited to the private affair, the event is not an Exempt Amusement, unless the event qualifies as an Exempt Performing Arts Production. See Section 201(c).
2. The term amusement shall not include an Exempt Performing Arts Production.
3. The term amusement shall not include admissions to places of amusement where the primary purpose of the admission or event is to provide scientific, historical, or educational material to the patron so long as no material entertainment or recreation is provided. Admission charges to lectures of a scientific, historical or educational nature, such as continuing education courses, when such lectures are produced or conducted by nonprofit associations or clubs are not subject to the tax. However, admission fees to places that provide food or drink, including alcoholic beverages, but do not otherwise provide entertainment or recreation, are not Exempt Amusements if the primary purpose of the event is to market or showcase one or more commercial products, even if ancillary historical, scientific or educational material also is provided to the patron. Admission fees to tasting events that offer food or drink, but do not offer entertainment or recreation, are Exempt Amusements if the Producer collects sales or drink taxes from the patron based on the admission charge or contribution.
4. The term amusement shall not include any admission fee or charge paid for the sale of admission to or for the privilege of admission to a bowling alley or bowling lane to engage in one or more games of bowling. The term amusement shall not include real property rented for camping purposes. The term amusements shall not include membership dues, fees or assessments paid by patrons to engage in activities, the predominant purpose or nature of which is exercise, fitness, health maintenance, improvement or rehabilitation, health or nutrition education, or weight control. However, the patron must participate in this health related activity to qualify for the exemption. The term amusements shall not include membership dues, fees or assessments of charitable, religious, beneficial or nonprofit organizations paid by patrons, such as sportsmen, recreational, golf or tennis clubs. Local Tax Enabling Act, 53 P.S. § 6924.301.1(f).

5. The term amusement shall not include any activity that the City is prohibited from taxing by reason of the U S Constitution, federal law, or laws of the Commonwealth. Should any Producer claim that any amusement is exempt from the tax under this subsection, the Producer shall note the exemption on its filed return and provide a reference to the governing law.

EXEMPT PERFORMING ARTS PRODUCTION – a Performing Arts event where the Producer is an Institution of Purely Public Charity and the proceeds, net of reasonable expenses, inure exclusively to the Institutions of Purely Public Charity. This exemption began in 2008. This exemption may expire, if the Nonresident Sports Facility Usage Fee, imposed under Title Two, Article X, Chapter 271 of the Code and the Local Tax Enabling Act, 53 P.S. § 6924.304, is determined to be invalid or not possible to be collected. If the Usage Fee were determined to be invalid or not possible to be collected, the tax rate on Exempt Performing Arts Productions shall be the same rate as imposed on other amusements, but shall not exceed five percent. Second Class County Code, 16 P.S. § 6171-B(a)(3.1). Producers should consult the City Finance website to determine if the tax rate on Exempt Performing Arts Productions has changed.

INSTITUTION OF PURELY PUBLIC CHARITY – an organization that qualifies for tax exemption pursuant to “Institutions of Purely Public Charity Act”. 10 P.S. § 371. Generally, the charity must show that it has a Pennsylvania sales tax exemption to qualify as an Institution of Purely Public charity. 10 P.S. § 376(a).

PATRON – anyone participating in the privilege of engaging in an amusement. (Ord. 15-1979, eff. 5-29-79)

PERFORMING ARTS – Artistic performances of live concerts, dance, ballet, opera, traditional forms of drama, including both comedy and tragedy, repertoire works and dramatic recitation of recognized works of literary art of the kind and in the nature normally associated with traditional and contemporary American Theater. Movies and re-broadcast events are not considered Performing Arts because the event is not live.

PERSON - A corporation, partnership, business trust, association, estate, trust, foundation or natural person. Whenever used in any provision prescribing a fine or penalty the word “person” as applied to partnerships, shall mean the partners thereof, and as applied to corporations and unincorporated associations, shall mean the officers thereof.

PLACE OF AMUSEMENT – any place indoors or outdoors within the City where the general public or a limited or selected number thereof may, upon payment of an established price, attend or engage in any amusement as herein defined, including among others, theaters, opera houses, moving picture houses, amusement parks, skating rinks, circus or carnival tents or grounds, fairgrounds, social sporting, athletic riding, gun and country clubs, golf courses bathing and swimming places, dance halls, tennis courts, rifle or shotgun ranges, roof gardens, cabarets, night clubs, bars, breweries, restaurants and other like places. (Ord. 11-1980, eff. 7-25-80).

To be an amusement, the amusement must be offered to patrons at a place of amusement. The location does not have to be owned or licensed to the Producer to be a place of amusement. The common phrases used to describe an amusement and a place of

amusement change over time, but that change in common parlance does not affect the taxability of the amusement. Specifically included within the term of “places of amusement” are: cabarets, night clubs, roof gardens, lounges, entertainment stages, music or dancing halls, ball rooms, or other locations offering food or beverages or merchandise along with entertainment or recreation, as well as other locations that were taxable under Section 4231 of the US Internal Revenue Code of 1954 (ignoring any exemptions or exclusions offered under that federal statute) as it was in effect immediately prior to its repeal by Public Law 89-44 in 1965.

PRODUCER – any person conducting any place of amusement, as herein defined, where the general public or a limited or selected number thereof, may, upon the payment of an established price, attend or engage in any amusement.

RESPONSIBLE PERSON – any natural person: (i) who has check signing authority or control over financial accounts of the Producer; (ii) who has powers or job duties that include the collection or remittance of the Amusement Tax; (iii) who has the power to make decisions regarding which, when, and in what order outstanding debts and taxes will be paid; and (iv) who willfully fails to remit the proper Amusement Tax to the City. Any such person who decides that the Producer will pay another party ahead of the City, while the Amusement Tax has not been timely remitted, is presumed to have acted willfully. Any such person who has a nominal title of officer or director or manager or member, but is actually a passive investor or official having no involvement in the management of the Producer shall not be a Responsible Person. Generally officers or managers of an incorporated Producer or managers, directors, officers, or sole owners of an unincorporated Producer are potentially Responsible Persons. Any Responsible Person shall have the right to appeal an assessment under Article VI.

TAXPAYER – Because the tax is imposed on the patron, the patron is the taxpayer. The Producer is merely the collection agent for the City.

TEMPORARY AMUSEMENT – any amusement that is conducted in the City for a period of time not exceeding thirty (30) days. (Ord.15-1979, eff. 5-29-79)

TREASURER – references to the Treasurer in these regulations refer to the Director of Finance or the Department of Finance. The Director holds principal responsibility for tax administration in the City of Pittsburgh. The Deputy Director of Finance or the Department of Finance serves as City Treasurer.

SECTION 102 – AMUSEMENT TAX PERMIT

1. Per City Code Title Seven, Article IX, Chapter 771, in addition to the collection and payment of the Amusement Tax, every Producer must secure an Amusement Tax Permit from the License Officer prior to the event. The fee varies according to the location and type of event being held. No Producer shall begin or continue to conduct any form of amusement at any permanent or temporary place of amusement, or any itinerant form of amusement within the City, unless an amusement permit has been issued, the fees paid therefore as prescribed by law and the tax herein imposed paid in accordance with law.
2. **MORE THAN ONE (1) BUSINESS LOCATION** – if the applicant has or intends to have more than one (1) place of amusement within the City, the application must

indicate the location of each place of amusement and, in the case of an itinerant form of amusement, the date and length of time the amusement is to be conducted at each place.

TEMPORARY PLACE OF AMUSEMENT – in the case of an application for a permit for a temporary place of amusement, the application shall state the name and address of the owner, lessee or custodian of the premises upon which such amusement is to be conducted.

ASSOCIATIONS OR CORPORATIONS – if the applicant is an association or a corporation the names and addresses of the principal officers thereof and any other information prescribed by the Treasurer for purposes of identification shall be stated.

SIGNATURES REQUIRED – the application shall be signed and verified by oath or affirmation by the Producer if a natural person, and in the case of an association by a member or partner thereof, and in the case of a corporation by an executive officer thereof, or some natural person specifically authorized by the corporation to sign the application, to which shall be attached the written evidence of his or her authority.

ISSUANCE AND USE – upon approval of the application and payment of the fees required by law, the Treasurer shall issue to each applicant an amusement permit for each place of amusement within the City set forth in his or her application. Amusement permits shall not be assignable, shall be valid only for the persons in whose names issued and for the conduct of amusements at the places designated therein, and shall at all times be conspicuously displayed at the places for which issued.

PERMIT SUSPENSION – the Treasurer may suspend or after hearing revoke an amusement permit whenever he or she finds the permittee has failed to comply with any of the provisions of Title Two, Article VII, Chapter 241 of the Code. Upon suspending or revoking any amusement permit the Treasurer shall request that the permittee surrender to him or her immediately all permits and duplicates thereof issued to him or her. The permittee shall surrender promptly all permits to the Treasurer as requested. Whenever the Treasurer suspends an amusement permit, he or she shall notify the permittee immediately and afford him or her a hearing if desired. After the hearing and for good cause, the Treasurer may either rescind or continue the order of suspension and revoke the permit.

SECTION 103 – PERMIT APPLICATION, ISSUANCE AND USE

1. **APPLICATIONS** – every Producer desiring to begin or continue to conduct any amusement within the City shall file an application for a permanent, temporary or itinerant amusement permit with the Bureau of Building Inspection.
2. **FORMAT** – every application for a permit shall be made upon a form prescribed, prepared and furnished by the City, and shall set forth the name under which the applicant conducts or intends to conduct a permanent or temporary place of amusement.

PERMIT APPLICATION – applications must be filed at least thirty (30) days prior to any activity with necessary information in order to ensure timely issuance. Anyone who conducts a place of amusement or is a Producer of amusements shall obtain a license from the Bureau of Building Inspections at:

Bureau of Building Inspection - City Licensing and Permits Office 200 Ross St Room 320 –
Pittsburgh PA 15219
412-255-2175 www.city.pittsburgh.pa.us/bbi

ARTICLE II COMPUTATION OF TAX

SECTION 201 – GENERAL REQUIREMENTS

- a. The Amusement Tax is imposed upon the patron of any amusement for the privilege of attending or engaging in any amusement at a rate of five (5%) percent of admission fees (Pittsburgh Code § 241.04). The tax rate on amusements shall not exceed the rate allowed under the Second Class Code, 16 P.S. § 6171-B(a)(3).
- b. The Amusement activities taxed include all forms of entertainment – such as sports events, music concerts and movies – and recreational activities – such as tennis, golf, and swimming. However, Exempt Amusements shall not be subject to tax.
- c. Special rules apply to events or affairs sponsored by nonprofit organizations when members of the general public are admitted. Where admission is obtained to any amusement solely or partly by a donation, contribution and other monetary charge, the established price for amusement for purposes of the tax shall be twenty-five (25%) percent of the total donation, contribution and other monetary charge. Events or affairs sponsored by nonprofit organizations only for members and their guests at which the admission charges or contribution approximate the expenses and the net proceeds benefit the nonprofit organization are Exempt Amusements. Exempt Performing Arts Productions shall not be subject to the Amusement Tax, except as otherwise provided.
- d. While the tax is imposed on the admission fee charged to patrons, the Producers of the activity are responsible for collecting the tax, filing the tax returns and remitting the tax to the City of Pittsburgh. To this end, Producers shall file monthly reports with the City Treasurer on or before the fifteenth day of the following month, reporting the preceding month on forms provided by the Treasurer (Pittsburgh Code 241.05). If any Producer neglects or fails to comply a penalty of five (5) percent of the amount of tax will be added to the liability each month. The interest rate for late payments will be one (1%) per month (Pittsburgh Code 241.05).
- e. Producers of temporary places of amusement shall file reports after each performance (Pittsburgh Code 241.05(e)). An amusement permit is required prior to beginning or conducting any form of amusement at any place, temporary or permanent.

SECTION 202 – WHO MUST FILE A RETURN – REGISTRATION

- a. The City Code, Title Two, Article VII, Chapter 241 imposes a tax on the admissions to any place of amusement. The Producer is responsible to collect the amusement tax and remit it to the City of Pittsburgh.
- b. Every Producer of amusement that begins or intends to begin a place of amusement, shall file with the Treasurer, before commencing the place of amusement a completed registration form prescribed by the Treasurer and shall set forth therein its name, address, business location, the amusement, a record of tickets, leases, and contracts that are to be used and a specimen copy of each and any other information as may be required by the Treasurer.
- c. Performing Arts Registration – if a Producer is claiming to be a Performing Art for which the net proceeds therefrom inure exclusively to the benefit of an Institution of Purely Public Charity it shall complete a Performing Arts Registration Form and attach all required information. (See definition of Performing Arts and Section 203(c), Rate for Certain Performing Arts before completing the registration).

SECTION 203 – RATE

- a. The Amusement Tax is a patron tax on the established price of an admissions charge for any type of event that offers entertainment or allows the patron to engage in an amusement.
- b. **GENERAL RATE** – a tax is imposed by Chapter 241 upon the patron of any amusement for the privilege of attending or engaging in any amusement at the rate of five (5%) percent of the established price charged the general public or a limited or selected group thereof, by any Producer for the privilege, which shall be paid by the person acquiring the privilege for any given calendar year.
- c. **RATE FOR EXEMPT PERFORMING ARTS PRODUCTIONS** – The rate of tax that must be collected on Exempt Performing Arts Productions is zero. If it is ever determined that the City of Pittsburgh cannot impose and collect a Non-Resident Sports Facility Usage Fee pursuant to the Local Tax Enabling Act, the City of Pittsburgh will not establish a rate that exceeds five per centum (5%). Refer to the Tax Rate by Tax Type on the web site at www.city.pittsburgh.pa.us/finance. Second Class Code, 16 P.S. § 6171-B(a)(3).

TAX COMPUTATIONS FOR FREE ADMISSIONS – if persons are admitted free to any place of amusement at a time and under circumstances for which an established price is charged to other persons, the tax imposed herein shall be computed on the established price charged to other persons for the same or similar accommodations, to be paid by the person so admitted. If persons are admitted at a reduced rate, the tax imposed shall be computed on the reduced rate paid. However, children under twelve (12) years of age, disabled veterans and members of the armed services when on active duty and in uniform, who are admitted free of charge to any place of amusement, shall not be required to pay the tax imposed by this Chapter.

- d. **TAX ON BOXES OR OTHER SEATING** – for persons having the permanent use or lease of boxes or seats in any place of amusement, the tax imposed shall be computed on the price or rental charged for boxes or seats in the place of

amusement, the tax to be paid by the holder or lessee. (Am. Ord. 33-1994, eff. 1-1-95)

e. **ROOF GARDENS, NIGHT CLUBS, CABARETS, BARS, BREWERIES, RESTAURANTS**

1. Where any amusement (entertainment) is conducted at a place where food and drink are served and there is no fixed charge for admission, the Amusement Tax will be based on 10% of the total amount paid for food and drink. For example, if a check for food and drink by a party of four amounts to \$80.00, the admission charge is 10% of the total check, or \$8.00.

\$8.00 admission charge X 5% = \$.40 Amusement Tax.

2. If a cover is required, such charge shall be considered as the regular established price paid for admission and is taxable as such. If a total bill exceeds the cover charge, the total charge is taxable if it in fact represents a charge for admission. If the same charge is made to the person using or furnishing his own property or equipment as where property or equipment is furnished by the management, such charge is an amount paid for admission and subject to tax. If a lesser charge is made to persons who do not desire to use the property or services offered, the lesser charge represents the admission charge.

3. Donations and contributions are taxable as admission charges when the amount of the donation and contributions are stated and when such donations or contributions entitle the donor or contributors to attend or engage in an amusement.

f. **TAX ON FREE OR REDUCED ADMISSION**

1. A bona fide employee of the management of the theatre or other places, is not liable for the tax if admitted free, but if admitted at a reduced rate, is liable for the tax on the reduced price. Bona fide employees are:

(a) Those persons, including directors and officers, regularly employed by the proprietor of the place or attraction or regularly engaged in work or business transacted there, whether their duties require admission to the place or not, and whether on duty at the time admitted or not.

(b) Other persons whose admission to the place is required for the performance of some duty to, or work for, the proprietor.

2. Newspaper reporters, photographers, radio announcers, inspectors and persons of similar vocation who are admitted free to any place for the performance of special duties in connection with an event and whose special duties are the sole reason for their presence and given free admission, are not liable for any tax on admission. Free admissions granted to such persons who are not admitted solely for the purpose of performing their special duties in connection with the event are subject to the tax equivalent to the tax on the admission charge paid by other persons for the same or similar accommodations.

3. The tax imposed upon such free or reduced admissions shall be paid and collected at the time such persons are admitted. In the event that tickets or cards of admission to the particular performance are not issued but admission is secured by the presentation of a life, annual, season, weekly, or daily pass, the Producer shall keep a record of such admission and the date upon which such privilege was exercised.

g. **TAX ON LEASES OR PERMANENT USES**

1. Where a person has a permanent use or lease for the use of a box or seat in any place of amusement, the tax is computed upon the amount actually paid for such use or lease.
2. The tax imposed upon leases for the permanent use of boxes or seats shall be collected at the time such lease is entered into, such tax to be paid by the lessee or holder.
3. In the case of subscription tickets the tax is levied on the value of the ticket acquired and not on any contribution made by the purchaser.

ARTICLE III COLLECTION AT SOURCE

SECTION 301 – COLLECTION AND PAYMENT OF TAX

- a. **PRODUCERS** – Producers shall collect the tax imposed herein and shall be liable to the City’s agents thereof for the payment of the same to the City. If, however, any Producer fails to make any report or payment as herein required, an additional five (5%) percent of the amount of the tax shall be added by the Treasurer and collected as a penalty for each month or fraction thereof during which the tax remains unpaid, together with interest at the rate set forth in Chapter 209 of the Pittsburgh Code. (Ord. 38-1991, eff 11-25-91).
- b. **TEMPORARY AMUSEMENTS** – where permits are obtained for conducting temporary amusements by persons who are not the owners, lessees or custodians of the places where the amusements are to be conducted, or where the temporary amusement is permitted by the owner, lessee or custodian of any place to be conducted without obtaining permits required herein, the tax imposed shall be paid by the owner, lessee or custodian of the place where the temporary amusement is conducted, unless paid by the Producer conducting the amusement
- c. **SEASON TICKETS** – where patrons have the use of boxes or seats pursuant to section 241.04(c) of the Pittsburgh Code and are required to pay the entire season price at the time the seating is acquired, the Producer shall collect the tax imposed herein and remit it at the time the reservation of the seating is made by the patron, that is, in advance of the season’s amusement.
- d. **MONTHLY REPORT** – every Producer, except as hereinafter provided, conducting a place of amusement, on or before the fifteenth day of each month, shall transmit on a form prescribed by the Treasurer, a report under oath or affirmation of the amount of tax collected during the preceding month. (Ord. 38- 1991, eff.11-25-91)
- e. **PERFORMANCE REPORT** – every Producer conducting a temporary place of amusement or itinerant form of amusement shall file a report promptly after each performance with the Treasurer or his/her duly authorized agent. The conclusion of a performance is construed to mean the time when the box office sales are concluded.
- f. **TAX DUE DATE** – the amount of all taxes imposed under the provisions of the Chapter 241 shall for places of permanent amusement be payable on the fifteenth day of the next succeeding month, and shall for temporary or itinerant forms of amusement be due and payable on the day such reports are required to be made under this section. (Ord. 38-1991, eff. 11-25-91).
- g. When the City of Pittsburgh’s Amusement Tax is included in the total collections from patrons, the formula for the Amusement Tax is:

A = Amusement Tax

$$A = \frac{.05 \text{ tax rate}}{1.00 \text{ admission charge} + .05 \text{ tax rate}}$$

$$A = \frac{.05 \text{ tax rate}}{1.05 \text{ admission charge} + \text{tax rate}}$$

$$A = .04762$$

The Amusement Tax is deemed included in the Established Price charged the patron if the Producer does not separately state the Amusement Tax on any ticket or receipt as required by Section 303, or if no receipt or ticket is issued to the patron.

EXAMPLE

$$A = \frac{.05 \text{ tax rate}}{1.00 \text{ admission charge} + .05 \text{ tax rate}} \quad \text{X } \$20.00 \text{ Total}$$

$$A = \frac{.05 \text{ tax rate}}{1.05 \text{ admission charge} + \text{tax rate}} \quad \text{X } \$20.00 \text{ Total}$$

$$A = .04762 \text{ X } \$20.00 \text{ Total}$$

$$A = \$.95$$

EXAMPLE

Total admission charge is \$20.00 x .04762 = \$.95 tax or

\$19.05 – Admission Charge

\$.95 tax = 5% of admission charge before taxes

\$20.00 – Total (Admission Charge + Amusement Tax)

SECTION 302 – RECORDS

In general each place of amusement must maintain complete and accurate records of all transactions, the total amount of consideration received from all transactions and the total amount of tax collected on the basis of such considerations. Records to be kept must consist of, but are not limited to a monthly summary showing the starting and ending ticket numbers for each series, the number of tickets sold at each representative price and the amount of tax collected.

Where an amusement is included in the price of food and drink the place of amusement shall total the amount of sales, on the cash register, prior to the amusement. The place of amusement shall begin a new cash register tape that will end when the place of amusement ends. If the place of amusement does not do this it will pay on the 24 hour period of the day that the amusement occurred. Once the total sales have been calculated from the place of amusement, the admission charge equals the amount paid for food and drink times ten percent. The imputed Amusement Tax equals the admission charge times five percent.

The amount paid for food and drink x 10% = **THE ADMISSION CHARGE**

The admission charge x 5% = **THE IMPUTED AMUSEMENT TAX**

Records to be kept shall include part of each serial numbered ticket used at each place of amusement issued to each patron and copies of all leases or contracts or agreements supporting the transactions for permanent use of boxes or seats in any place of amusement.

SECTION 303 - TICKET LABELING

- a. **DELINEATING THE AMUSEMENT TAX** – for each admission subject to the collection of a tax pursuant to the provisions of Chapter 241, the Producer shall cause to be printed clearly on the face of any ticket, receipt or any other token purchased by a patron for the purpose of admission to an amusement the following information:
1. The established price of admission;
 2. The amount of amusement tax due on line 1; and
 3. The sum of lines 1 and 2.
- b. **SIGNS** – every place of amusement must maintain, conspicuously posted at the entrance, and near the box-office a place at which the established price is paid, one (1) or more signs accurately stating:
1. The established price of admission;
 2. The amount of amusement tax due on line 1; and
 3. The sum total of the established price and the tax.

FAILURE TO COMPLY – in the event that a Producer fails to comply with the ticketing and labeling provisions of Section 241.07(a) the Producer shall be subject to the suspension and/or revocation of his amusement permit pursuant to section 241.03(c) of the Pittsburgh Code. (Ord. 34-1994, eff. 12-30-94). The failure to comply with the ticketing and labeling provisions will not excuse the Producer from timely remitting the deemed collected Amusement Tax.

SECTION 304 – AMUSEMENT TAX QUESTIONS AND ANSWERS

Q. – *Are admissions to a movie theater not taxed if provided by an Institution of Purely Public Charity? Is a movie theater considered a Performing Art?*

A. – No. Admissions to a movie theater are not considered a Performing Art because it is not a live performance, and nor would they be considered an Exempt Performing Arts Production.

Q. – *Does a Producer of home builders' shows, trade shows, or similar exhibitions have to collect the Amusement Tax?*

A. – The admission receipts from a home builders' show are properly subject to the Amusement Tax. The Amusement Tax Chapter 241 of the Pittsburgh Code extends, by

definition to trade shows and similar exhibitions.

Q. – *Does a Producer of wine tasting, beer tasting, whisky tasting, food tasting or similar events have to collect the Amusement Tax?*

A. – The admission receipts from a tasting event are properly subject to the Amusement Tax, if the event is primarily intended to showcase a commercial product or products, even if no live entertainment or recreation is provided. However, if the Producer does not provide entertainment or recreation, but does collect sales taxes or drink taxes, based on the admission charge or contribution, from the patron, then the event is an Exempt Amusement. A tasting event is not an Exempt Amusement even if historical or educational material is provided to the patron if such historical or educational material is not the primary purpose of the event.

Q. – *A bar with entertainment has a cover charge of \$10.00 with the Amusement Tax included. How much is the Amusement Tax?*

A. - \$10.00 cover charge $\times .04762 = \$0.48$ Amusement Tax.

Q. – *A bar with entertainment has no cover charge, is any Amusement Tax owed? If so, how is it calculated?*

A. – The Amusement Tax is owed. The cover charge shall be imputed per the City Code. The amount paid for admission to the amusement shall be ten (10%) percent of the amount paid for refreshment, service and merchandise. (The food and drink for a bar). The place of amusement must begin a new cash register tape that will end when the place of amusement ends. Once you have the total sales from the place of amusement you are ready to impute the admission charge.

The amount paid for food and drink $\times 10\% =$ the admission charge. The admission charge $\times 5\% =$ the imputed amusement tax.

An imputed admission charge is implied, and the tax will be collected. An implied charge is one that the place of amusement would normally collect. The admission charge is therefore imputed and the tax paid by the place of amusement.

**ARTICLE IV
ADMINISTRATION AND
ENFORCEMENT**

SECTION 401 – POWERS AND DUTIES OF TREASURER (DIRECTOR)

- a. It shall be the duty of the Treasurer to collect and receive the taxes, fines, and penalties imposed by the City Code, Title Two, Article VII, Chapter 241. It shall also be the duty of the Treasurer to keep a record showing the date of such receipt.
- b. The Treasurer is charged with the administration and enforcement of the provisions of the City Code, and is empowered to prescribe, adopt, promulgate and enforce rules and regulations relating to any matter pertaining to the administration and enforcement of the City Code, including provisions for the reexamination and corrections of declarations and returns, and of payments alleged or found to be incorrect, or as to which an overpayment is claimed or found to have occurred, and to prescribe forms necessary for the administration of the City Code.
- c. The Treasurer is authorized to issue a ruling upon written request of a taxpayer or Producer.

SECTION 402 – EXAMINATION OF BOOKS AND RECORDS OF PRODUCERS

- a. Agents designated by the Treasurer are hereby authorized to examine the books, papers and records of any Producer or supposed Producer, in order to verify the accuracy of any declaration or return, or if no declaration or return was filed, to ascertain the tax due. Every Producer or supposed Producer, is hereby directed and required to give to the Treasurer, or to any agent designated by him/her, the means, facilities and opportunity for such examinations and investigations, as are hereby authorized.
- b. If records are not available in the City of Pittsburgh to support the returns which were filed or which should have been filed, the Producer will be required to make them available to the Treasurer either by producing them in a City of Pittsburgh location or by paying for the expenses incurred by the Treasurer in traveling to the place where the records are regularly kept.
- c. Any information gained by the Treasurer, by designated agents, or by any other official or agent of the City of Pittsburgh, as a result of any declarations, returns, investigations, hearings or verifications required or authorized by the City Code, shall be confidential except for official purposes and shall not be released except in accordance with a proper judicial order, or as otherwise provided by law.

SECTION 403 – RECORDS TO BE KEPT BY THE PRODUCER

Producers who collect the Amusement Tax are required to keep such records as will enable the filing of true and accurate returns of the tax and such records shall be preserved for a period of not less than three (3) years from the filing date or due date whichever is later in order to enable the Treasurer or any agent designated by him/her to verify the correctness

of the declarations or returns filed.

SECTION 404 – AUDITS

If, as a result of an examination conducted by the Treasurer, a return is found to be incorrect, the Treasurer is authorized to assess and collect any underpayments of the Amusement Tax. If no return has been filed and a tax is found to be due, the tax actually due may be assessed and collected with or without the formality of obtaining a return from the producer. Deficiency assessments (i.e., where producer has filed a return but is found to owe additional tax) shall include taxes for up to three (3) years prior to the date when the deficiency is assessed. Where no return was filed, there shall be no limit to the period of assessment.

ARTICLE V
SUITS FOR TAX COLLECTIONS, VIOLATIONS, FINES, INTEREST & PENALTIES

SECTION 501 – REMEDIES NOT MUTUALLY EXCLUSIVE

The remedies provided in Section 502 or Section 505 are not mutually exclusive. The utilization by the Treasurer of one remedy does not preclude utilization of the other.

Moreover, use of either or both of the remedies provided in these Sections does not preclude the use by the City of Pittsburgh of any other legal or administrative procedure which can bring about compliance by the Producer with the provisions of Chapter 241 of the Pittsburgh Code and these regulations.

Once it has been determined that that a Producer owes a tax, the Treasurer will take all actions legally permitted to enforce its claim. Such action may include obtaining additional information, auditing Producer records, entering into a settlement of the disputed amount of the tax, or obtaining liens on the Producer’s property, wage attachments, levies, and seizures and sales of the taxpayer’s property in appropriate circumstances. The Treasurer may enter into a written agreement with the Producer for payment of the tax in installments if the Treasurer believes that such an agreement will facilitate collection. The Treasurer may also impose interest and applicable penalties on the tax due, and may seek criminal charges in appropriate circumstances.

SECTION 502 – SUITS FOR RECOVERY OF UNPAID TAXES

The Treasurer may sue in the name of the City of Pittsburgh, in law or in equity, for the recovery of those taxes due and unpaid under the provisions of the Amusement Tax, to compel the production of records or to enforce any other provisions of the law. Such suits may also be brought against Responsible Persons.

SECTION 503 - LIMITATIONS

- a. The following periods of limitations shall apply to suits for collection of taxes.
 - 1. When a return has been filed but no tax paid, any suit brought to recover the tax due and unpaid shall be filed within three (3) years after the return was due or filed, whichever is later. Where no return was filed, there shall be no limit to file suit for the collection of taxes.
 - 2. In the case of a deficiency assessment, suit shall be filed within three (3) years after the assessment has been made.
- b. The limitations set forth in paragraph (a) shall not prevent the institution of a suit for the collection of any tax due or determined to be due in the following cases:
 - 1. When no return was filed, there is no limitation.
 - 2. When the return is fraudulent, there is no limitation.

3. When there is an understatement of tax liability of twenty-five (25%) or more, and not due to fraud, suit must be begun within six (6) years.
- c. A return filed before the due date is deemed to be filed on the due date.

SECTION 504 – PENALTY AND INTEREST

- a. Producers must collect the tax imposed herein and shall be liable to the City of Pittsburgh for the payment of the tax. If, however, any Producer shall fail to make any report and payment as herein required a penalty at the rate of five (5%) percent per month for each month or a fraction of a whole month on the amount of tax and interest of one (1%) percent per month for each month or fraction of a whole month during the period in which the tax remains unpaid shall be added to the tax. In no event shall the interest rate assessed exceed the maximum rate allowed by the Municipal Claims and Tax Liens Act, 53 P.S. 7143, or applicable law.
- b. There is no limit, or cut off point, for applying penalty and interest
- c. Penalty and Interest on Deficiency Assessment.
- d. On any additional tax determined to be due as a result of a deficiency assessment, penalty and interest will be assessed from the day the tax should have been paid to the date of payment. Penalty and interest is calculated as described above in the applicable portion of Section 504 (a).
- e. Where suit is brought for the recovery of such tax, the person liable therefore shall, in addition, be liable for the costs of collection and the interest and penalties herein imposed. Once due and owing, penalty and interest become part of the tax and shall be collected as such. A person's belief that no tax is due and owing, or the failure of any person to receive or obtain the forms required for making the returns required under the City Code is not a valid defense to the imposition of penalties herein for violation. Good faith shall not be a defense to the imposition of penalty.

SECTION 505 – FINES AND PENALTIES FOR VIOLATION OF APPLICABLE PROVISIONS OF TITLE TWO, PITTSBURGH CODE

- a. Violations – No person shall:
 1. Fail, neglect, or refuse to make any declaration or file a return required under the City Code.
 2. Refuse to permit the Treasurer or his/her designee to examine the books, records or accounts of any business, taxable or otherwise, to determine liability.
 3. Make any incomplete, false or fraudulent return or attempt to do anything to avoid full disclosure of the amount of tax due to avoid payment in whole or in part, of the Amusement Tax.
 4. Divulge information, which is confidential under Chapter 201.06 of the City Code.
 5. Fail to make any payment when it is due.

- b. In addition to any other penalties or enforcement proceedings provided for by ordinance for the collection and enforcement of taxes:
1. Any person who willfully fails or refuses to appear before the Treasurer or his/her agent in person with the employer's books, records or accounts for examination when required under the provisions of Title Two of the City Code to do so, or who willfully refuses to permit inspection of the books, records or accounts of any amusement in the person's custody or control when the right to make such inspection by the Treasurer or his/her agent is requested, shall be guilty of a misdemeanor and shall, upon conviction, be sentenced to pay a fine of not more than five hundred dollars (\$500) or to a term of imprisonment of not more than six months, or both.
 2. The fines and terms of imprisonment, imposed under this Section shall be in addition to any other relief granted to the City of Pittsburgh of a monetary nature under the provisions of this Article.
 3. Each and every day that the violation continues shall constitute a separate offense for which a fine may be imposed.

SECTION 506 – PERSONAL LIABILITY OF RESPONSIBLE PERSONS

Because the Amusement Tax is collected from Patrons, the Amusement Tax is not the property of the Producer but instead is held in trust for the benefit of the City. Any Amusement Tax collected from patrons or deemed included in the Established Price paid by Patrons shall be considered trust fund taxes held for the benefit of the City. Should the Producer fail to timely remit the Amusement Tax due to the City, the Treasurer may assess and collect any unpaid Amusement Tax directly from any Responsible Person or from the Producer, or both. A Responsible Person can show he is not liable for any collected Amusement Tax if he shows the Amusement Tax has been properly refunded to the Patrons who paid the tax. If the Producer uses trust fund taxes to pay a lawful obligation of the Producer, the payee of such funds shall not be considered a Responsible Person, unless the payee acts in bad faith or has direct knowledge of the breach of trust.

If there are multiple Responsible Persons for a Producer, each Responsible Person shall have joint and several liability for the unremitted Amusement Tax. However, in no event may the Treasurer collect more from the Responsible Persons and the Producer in total than the Producer owes the City.

Only the Amusement Tax shall be considered a trust fund asset. Penalties and interest assessed against the Provider, as opposed penalties and interest assessed against the Responsible Person directly, shall not be consider trust funds monies.

In an Article VI action, a Responsible Person shall not be able to challenge the Amusement Tax calculation derived from an assessment against the Producer once that assessment against the Producer has become final.

**ARTICLE VI
PRODUCER,
TAXPAYER, AND
RESPONSIBLE
PERSON REMEDIES**

SECTION 601 – TREASURER (DIRECTOR) HEARINGS

Any taxpayer, Producer, or Responsible Person aggrieved by an assessment by the Treasurer shall, within ninety (90) days after the date of notice of the assessment, request a Treasurer’s Hearing on a form obtained from the Treasurer for that purpose. 53 Pa.C.S. § 8431. The Treasurer may on his/her own initiative cite a Producer or Responsible Person for a hearing.

- a. Any taxpayer, Producer or Responsible Person who fails to request a Treasurer’s Hearing within a timely manner, waives the right to contest any element of the assessment, and that party’s failure to challenge the Treasurer’s adjudication will be construed as an admission by that party as to the propriety of the assessment.
- b. The written petition for reassessment shall contain at minimum:
 - 1. The petitioner’s name, address, and daytime telephone number.
 - 2. The petitioner’s account and/or social security number.
 - 3. A copy of the assessment notice the party received from the Finance Department.
 - 4. A detailed explanation consisting of the reason or reasons the petitioner disagrees with the assessment and any documentation necessary to support the petitioner’s claims.
 - 5. Petitioner’s signature.
- c. The completed petition should be mailed to:

TREASURER HEARINGS
TREASURER – CITY OF PITTSBURGH
414 GRANT ST
PITTSBURGH PA 15219-2476
- d. Any taxpayer, Producer, or Responsible Person may request a Treasurer’s Hearing so that his tax refund request can be reviewed.
- e. The Treasurer will abate any penalties and interest only in accordance with 53 Pa.C.S. § 8428.
- f. The Treasurer will issue its decision within 60 days of the receipt of the petitioner’s complete and accurate petition form.

SECTION 602 – APPEALS

Any person aggrieved by the decision of the Treasurer, following a hearing, shall have the right to make an appeal to the Court of Common Pleas of Allegheny County, in accordance with the Taxpayer's Bill of Rights Act. 53 Pa.C.S. § 8434. Any appeal must be commenced within thirty (30) days of the date of the notice of the Treasurer's decision. If no such appeal is timely filed, the aggrieved party waives his/her right to contest any element of the Treasurer's adjudication, and that party's failure to challenge the same will be construed as an admission by that party as to the propriety of the Treasurer's decision. No hearing or appeal will operate to suspend the accrual of penalty and interest from the date the tax was due to the date it is actually paid.

SECTION 603 – PAYMENT UNDER PROTEST

The Treasurer will accept payments of disputed tax amounts under protest pending appeals; however, any request for refund of such monies must be filed in accordance with Section 604.

SECTION 604 – REFUNDS

- a. A Producer or Responsible Person who has overpaid the Amusement Tax, or who believes he/she is not obligated to remit the Amusement Tax may file a written request on an amended tax return (AT) with the Department of Finance for a refund or a credit of the tax. A request for refund or a credit shall be made within three (3) years of the due date for filing the report or one (1) year after actual payment of the tax, whichever is later. If no report is required, the request shall be made within three (3) years after the due date for payment of the tax or within one (1) year after actual payment of the tax, whichever is later.
- b. For amounts paid as a result of a notice asserting or informing a Producer or Responsible Person of an underpayment, a written request for a refund shall be filed with the Department of Finance within one (1) year of the date of the payment.
- c. Patrons who believe that they are owed a refund because they overpaid the Amusement Tax, shall first approach the Producer for a refund because the Producer has the best knowledge of the facts surrounding the amusement. The Producer shall have sixty days to review the refund request and grant or deny the refund in writing. If a patron still believes he is owed a refund, after the Producer has issued a written refusal, he may file a written request for refund with the Department of Finance. Such written request shall include the name and address of the patron, the name and address of the Producer, the date or dates of the amusement, a copy of any ticket or receipt issued by the Producer, a short summary of the reasons why the patron believes the tax was overpaid, a copy of the written rejection from the Producer, a calculation of the overpaid Amusement Tax, and a calculation of the correct Amusement Tax due and a calculation of the amount that should be refunded. Only refund claims submitted within the timelines of Section 604(a) shall be eligible for refund.
- d. No refund shall be allowed to the Producer unless the Producer provides proof to the Department of Finance that the Amusement Tax was refunded to the patron, unless the Producer provides proof to the Department of Finance that no patron overpaid the

tax and the refund is due to a computational error made by the Producer in preparing the return.

- e. Erroneous Refund Recovery – The Treasurer may sue for recovery of an erroneous refund provided such suit is begun two years after making such refund, except that the suit may be brought within five years if any part of the refund was induced by fraud or misrepresentation of material fact.

SECTION 605 – INSTALLMENT PAYMENT PLAN FOR ANY DEFICIENCY

In the appropriate circumstances, the Treasurer will enter an installment payment plan and defer further collection action, if the Producer or Responsible Person enters into a written agreement with the Treasurer. The Treasurer will approve installment payment plans only if such a plan is in the best interests of the City. The Producer or Responsible Person must specifically request the installment payment plan from the Treasurer. For the required terms of any installment plan See, Second Class City Treasurer's Sale and Collection Act, 53 P.S. § 27207 and Local Taxpayer Bill of Rights, 53 Pa.C.S. § 8436. If the Producer or Responsible Person fails to abide by the terms of the installment payment plan, the Treasurer may demand immediate payment of tax, penalty, and interest.

**ARTICLE VII:
SAVINGS AND SEVERABILITY AND DISCLOSURES**

SECTION 701 – SAVINGS CLAUSE AND SEVERABILITY.

If a final decision of a court of competent jurisdiction holds any provision of these regulations, or the application of any provision to any circumstances, to be illegal or unconstitutional, the other provisions in these regulations, or the application of such provision to other circumstances, shall remain in full force and effect.

The intent of the Treasurer is that the provisions of these regulations shall be severable and that they would have been adopted if any such illegal or unconstitutional provisions had not been included herein.

SECTION 702 – DISCLOSURE STATEMENT

A copy of the Taxpayer Bill of Rights can be requested in writing at the address below or downloaded at

http://apps.pittsburghpa.gov/finance/10_taxpayers_bill_of_rights.pdf

TREASURER, CITY OF PITTSBURGH AUDIT SECTION
414 GRANT ST RM 206
PITTSBURGH PA 15219-2476