

Bond Case Briefs

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Reaman v. Allentown Power Center, L.P.

Commonwealth Court of Pennsylvania - August 8, 2013 - A.3d - 2013 WL 4029076

Taxpayer appealed from order of the Court of Common Pleas directing taxpayer to pay a business privilege tax in the amount of \$31,469.38, including penalties and interest.

The Commonwealth Court held that:

- Taxpayer's providing of commercial leasehold space to others constituted "performance of services" within meaning of tax ordinance, and
- Commonwealth Court lacked power to abate the interest or penalties imposed against taxpayer.

Providing commercial leasehold space to others constituted the "performance of services" within meaning of business privilege tax ordinance, defining business as any activity carried on or exercised for gain or profits in township, including, but not limited to, sale of merchandise or other tangible personalty or performance of services. Principle stated in ordinance was to establish a tax on "activities for gain or profit," leasing commercial real property was such an activity, and exemption of rental income from owner-occupied real property ordinance would have no meaning if rental income was not subject to the business privilege tax.