

2026 Changes to Local Sales Tax Rules:

Legislation passed by Pennsylvania's General Assembly (Act 21 of 2026) now requires vendors selling taxable products and/or services to customers in Philadelphia and Allegheny counties to collect and remit the applicable local sales tax.

Local tax is now determined by the delivery location of the product or service (point of destination); not where the vendor is located (point of sale).

Vendors must now collect, in addition to the PA 6% sales tax, the applicable local tax on taxable sales delivered into Philadelphia County (2%) and/or Allegheny County (1%).

The law is effective January 1, 2026, but PA will not begin enforcement until October 1, 2026 to give businesses time to adjust their systems and compliance processes before enforcement begins.