

**Business fee exemption
for veteran-owned and reservist-owned small business**
Act 135 of 2016 (51 Pa.C.S. §§ 9610-9611)

Under Act 135 of 2016, veterans and reservists starting a small business in the Commonwealth are exempt from the payment of a business fee effective January 2, 2017.

A **business fee** is any fee required to be paid to the Commonwealth or a political subdivision for starting or opening a business within Pennsylvania. The term does not include a fee for maintaining licensure (i.e. licensure renewal) or other requirement for continuing to operate a business. A **small business** must be independently owned, not dominant in its field of operation and employ 100 or fewer employees. A **veteran- or reservist-owned small business** must be owned and controlled by a veteran or veterans/reservist or reservists. For businesses with multiple owners, at least 51% of the ownership interest must be held by veterans/reservists to claim the exemption.

A **veteran** is an individual who served in the United States Armed Forces, including a reserve component or the National Guard, and who was discharged or released from service under conditions other than dishonorable. A **reservist** is a member of a United States Armed Forces reserve component or National Guard.

For the Bureau of Professional and Occupational Affairs (BPOA), effective January 2, 2017, initial application fees may be waived for the following license types, which represent businesses regulated by the various BPOA boards and commissions, when submitted with proof of the veteran's or reservist's status and signed by the veteran or reservist:

Architecture Firms	Pharmacies
Barber Shops and Schools	Accountancy Firms
Cosmetology Salons and Schools	Real Estate Brokers and Cemetery Brokers
Esthetician Salons	Cemetery Companies
Nail Technology Salons	Real Estate Education Providers
Natural Hair Braiding Salons	Rental Listing Referral Agents
Funeral Entities	Appraisal Management Companies
Auction Companies	Trading Assistant Companies
Vehicle Auctions, Dealers, Distributors and Manufacturers	

A veteran or reservist must provide the applicable Board with proof of the veteran's or reservist's status at the time the initial application is submitted. Such proof includes a legible photocopy of:

- A Federal DD-214 form
- A Federal NGB-22 form
- A valid Federal Veterans' Administration card or
- A valid Department of Defense-issued military identification card

Note: At this time, applications and proof of status documents submitted by a veteran or reservist seeking the fee exemption must be submitted by mail or personal delivery, as online applications cannot be processed without payment of the applicable fee.