

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2213 Session of 2015

INTRODUCED BY MUSTIO, D. COSTA, WHEATLEY, HARHART, READSHAW, BOYLE, BRADFORD, FRANKEL, GAINNEY, GIBBONS, LAWRENCE, SCHLOSSBERG, SCHWEYER, DRISCOLL, V. BROWN, STURLA, YOUNGBLOOD, RAVENSTAHL, DEASY, PHILLIPS-HILL, NEUMAN, SAVAGE AND McNEILL, JUNE 23, 2016

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, SEPTEMBER 27, 2016

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 neighborhood assistance tax credit, further
11 providing for tax credit AND FOR GRANT OF TAX CREDIT. <--

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

14 ~~Section 1. Section 1904 A(c) of the act of March 4, 1971~~ <--
15 ~~(P.L.6, No.2), known as the Tax Reform Code of 1971, amended~~
16 ~~July 25, 2007 (P.L.373, No.55), is amended to read:~~

17 SECTION 1. SECTIONS 1904-A(C) AND 1905-A OF THE ACT OF MARCH <--
18 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971,
19 AMENDED JULY 13, 2016 (P.L.526, NO.84), ARE AMENDED TO READ:

20 Section 1904-A. Tax Credit.--* * *

1 (c) The total amount of tax credit granted for programs
2 approved under this act shall not exceed [eighteen million
3 dollars (\$18,000,000)] ~~twenty five million dollars (\$25,000,000)~~ <--
4 THIRTY-SIX MILLION DOLLARS (\$36,000,000) of tax credit in any <--
5 fiscal year.

6 * * *

7 SECTION 1905-A. GRANT OF TAX CREDIT.--THE DEPARTMENT OF <--
8 REVENUE SHALL GRANT A TAX CREDIT AGAINST ANY TAX DUE UNDER
9 ARTICLE III, IV, VI, VII, VIII, IX OR XV OF THIS ACT, OR ANY TAX
10 SUBSTITUTED IN LIEU THEREOF IN AN AMOUNT WHICH SHALL NOT EXCEED
11 FIFTY-FIVE PER CENT OF THE TOTAL AMOUNT CONTRIBUTED DURING THE
12 TAXABLE YEAR BY A BUSINESS FIRM OR TWENTY-FIVE PER CENT OF
13 QUALIFIED INVESTMENTS BY A PRIVATE COMPANY IN PROGRAMS APPROVED
14 PURSUANT TO SECTION 1904-A OF THIS ACT: PROVIDED, THAT A TAX
15 CREDIT OF UP TO SEVENTY-FIVE PER CENT OF THE TOTAL AMOUNT
16 CONTRIBUTED DURING THE TAXABLE YEAR BY A BUSINESS FIRM OR UP TO
17 THIRTY-FIVE PER CENT OF THE AMOUNT OF QUALIFIED INVESTMENTS BY A
18 PRIVATE COMPANY MAY BE ALLOWED FOR INVESTMENT IN PROGRAMS WHERE
19 ACTIVITIES FALL WITHIN THE SCOPE OF SPECIAL PROGRAM PRIORITIES
20 AS DEFINED WITH THE APPROVAL OF THE GOVERNOR IN REGULATIONS
21 PROMULGATED BY THE SECRETARY, AND PROVIDED FURTHER, THAT A TAX
22 CREDIT OF UP TO SEVENTY-FIVE PER CENT OF THE TOTAL AMOUNT
23 CONTRIBUTED DURING THE TAXABLE YEAR BY A BUSINESS FIRM IN
24 COMPREHENSIVE SERVICE PROJECTS WITH FIVE-YEAR COMMITMENTS AND UP
25 TO EIGHTY PER CENT OF THE TOTAL AMOUNT CONTRIBUTED DURING THE
26 TAXABLE YEAR BY A BUSINESS FIRM IN COMPREHENSIVE SERVICE
27 PROJECTS WITH SIX-YEAR OR LONGER COMMITMENTS SHALL BE GRANTED,
28 AND PROVIDED FURTHER, THAT A TAX CREDIT OF UP TO SEVENTY-FIVE
29 PER CENT OF THE TOTAL AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR
30 BY A BUSINESS FIRM IN VETERANS' HOUSING ASSISTANCE APPROVED

1 UNDER SECTION 1904-A(B.3) SHALL BE GRANTED. SUCH CREDIT SHALL
2 NOT EXCEED FIVE HUNDRED THOUSAND DOLLARS (\$500,000) ANNUALLY FOR
3 CONTRIBUTIONS OR INVESTMENTS TO FEWER THAN FOUR PROJECTS OR ONE
4 MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000) ANNUALLY
5 FOR CONTRIBUTIONS OR INVESTMENTS TO FOUR OR MORE PROJECTS. NO
6 TAX CREDIT SHALL BE GRANTED TO ANY BANK, BANK AND TRUST COMPANY,
7 INSURANCE COMPANY, TRUST COMPANY, NATIONAL BANK, SAVINGS
8 ASSOCIATION, MUTUAL SAVINGS BANK OR BUILDING AND LOAN
9 ASSOCIATION FOR ACTIVITIES THAT ARE A PART OF ITS NORMAL COURSE
10 OF BUSINESS. ANY TAX CREDIT NOT USED IN THE PERIOD THE
11 CONTRIBUTION OR INVESTMENT WAS MADE MAY BE CARRIED OVER FOR THE
12 NEXT FIVE SUCCEEDING CALENDAR OR FISCAL YEARS UNTIL THE FULL
13 CREDIT HAS BEEN ALLOWED. A BUSINESS FIRM SHALL NOT BE ENTITLED
14 TO CARRY BACK OR OBTAIN A REFUND OF AN UNUSED TAX CREDIT. THE
15 TOTAL AMOUNT OF ALL TAX CREDITS ALLOWED PURSUANT TO THIS ACT
16 SHALL NOT EXCEED [EIGHTEEN MILLION DOLLARS (\$18,000,000)]
17 THIRTY-SIX MILLION DOLLARS (\$36,000,000) IN ANY ONE FISCAL YEAR.
18 OF THAT AMOUNT, TWO MILLION DOLLARS (\$2,000,000) SHALL BE
19 ALLOCATED EXCLUSIVELY FOR PASS-THROUGH ENTITIES. HOWEVER, IF THE
20 TOTAL AMOUNTS ALLOCATED TO EITHER THE GROUP OF APPLICANTS,
21 EXCLUSIVE OF PASS-THROUGH ENTITIES, OR THE GROUP OF PASS-THROUGH
22 ENTITY APPLICANTS IS NOT APPROVED IN ANY FISCAL YEAR, THE UNUSED
23 PORTION SHALL BECOME AVAILABLE FOR USE BY THE OTHER GROUP OF
24 QUALIFYING TAXPAYERS.

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