

AMENDMENTS TO HOUSE BILL NO. 1745

Sponsor: SENATOR HUTCHINSON

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1 Amend Bill, page 1, line 12, by inserting after "employer"
2 matching

3 Amend Bill, page 1, line 12, by inserting after "credit"
4 and tuition account programs

5 Amend Bill, page 1, lines 15 through 17, by striking out all
6 of said lines and inserting

7 Section 1. Section 303(a.7)(2)(i)(B) of the act of March 4,
8 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, is
9 amended and the section is amended by adding a clause to read:

10 Amend Bill, page 2, by inserting between lines 1 and 2

11 * * *

12 (B) [Any rollover that is excludable from tax under section
13 529(c)(3)(C) of the Internal Revenue Code of 1986, as amended.]
14 Any distribution that is excludable from tax under section 529
15 of the Internal Revenue Code of 1986, as amended.

16 Amend Bill, page 2, line 3, by inserting after "employer's"
17 matching

18 Amend Bill, page 2, lines 7 through 9, by striking out "OR"
19 in line 7 and all of lines 8 and 9 and inserting a period

20 Amend Bill, page 2, line 11, by striking out "an article" and
21 inserting

22 articles

23 Amend Bill, page 2, line 14, by inserting before

24 "CONTRIBUTION"

25 MATCHING

26 Amend Bill, page 2, line 16, by inserting after "employer"

1 matching

2 Amend Bill, page 3, lines 4 and 5, by striking out all of
3 said lines

4 Amend Bill, page 3, line 6, by striking out "Treasury
5 Department" and inserting

6 Department of Revenue

7 Amend Bill, page 3, by inserting between lines 6 and 7

8 "Matching contribution." A deposit of money by an employer
9 into an employee-owned account during the tax year that does not
10 exceed the amount of deposits made into that account by the
11 employee during the same tax year.

12 Amend Bill, page 3, line 17, by inserting after "employer"
13 matching

14 Amend Bill, page 3, line 22, by inserting after "employer"
15 matching

16 Amend Bill, page 3, line 25, by striking out "2023" and
17 inserting

18 2024

19 Amend Bill, page 3, line 25, by striking out "2029" and
20 inserting

21 2030

22 Amend Bill, page 3, line 26, by inserting after "a"

23 matching

24 Amend Bill, page 4, line 2, by inserting after "aggregate"

25 matching

26 Amend Bill, page 4, lines 4 through 7, by striking out all of
27 said lines and inserting

28 (c) Tax credit limit for employers.--The total amount of
29 matching contributions to accounts owned by employees for which
30 an employer may claim a tax credit shall be no more than \$500
31 per employee during the tax year.

32 Amend Bill, page 4, line 8, by inserting after "of"

33 matching

1 Amend Bill, page 4, line 10, by inserting after "qualifying"
2 matching

3 Amend Bill, page 4, by inserting between lines 12 and 13
4 (e) Proof of employee contribution.--In a manner prescribed
5 by the employer, an employee shall provide to the employer
6 evidence of the total amount deposited into the employee's
7 account during the previous tax year.

8 Amend Bill, page 5, line 4, by striking out "Department of
9 Revenue" and inserting
10 department

11 Amend Bill, page 5, line 21, by striking out "(a)
12 Guidelines.--"

13 Amend Bill, page 5, lines 24 through 28, by striking out all
14 of said lines

15 Amend Bill, page 5, line 29, by inserting after "in"
16 matching

17 Amend Bill, page 6, line 1, by inserting after "a"
18 matching

19 Amend Bill, page 6, line 3, by inserting after "make"
20 matching

21 Amend Bill, page 6, line 5, by inserting after "equal"
22 matching

23 Amend Bill, page 6, line 10, by inserting after "employer"
24 matching

25 Amend Bill, page 6, line 11, by inserting after "a"
26 matching

27 Amend Bill, page 6, line 13, by inserting after "the"
28 matching

29 Amend Bill, page 6, by inserting between lines 27 and 28

30 ARTICLE XXIX-I
31 TUITION ACCOUNT PROGRAMS

32 Section 2901-I. Definitions.

33 The following words and phrases when used in this article

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 "Account." As defined in section 302 of the act of April 3,
4 1992 (P.L.28, No.11), known as the Tuition Account Programs and
5 College Savings Bond Act.

6 "Account owner." As defined in section 302 of the Tuition
7 Account Programs and College Savings Bond Act.

8 "Beneficiary." As defined in section 302 of the Tuition
9 Account Programs and College Savings Bond Act.

10 "Tuition Account Program Contract." As defined in section
11 302 of the Tuition Account Programs and College Savings Bond
12 Act.

13 Section 2902-I. Fees.

14 Notwithstanding section 313(c) of the act of April 3, 1992
15 (P.L.28, No.11), known as the Tuition Account Programs and
16 College Savings Bond Act, the Treasury Department may not impose
17 a fee on the termination of an account if the termination was a
18 result of the death or disability of the beneficiary.

19 Section 2903-I. Taxation of payment.

20 Notwithstanding section 313(d) of the act of April 3, 1992
21 (P.L.28, No.11), known as the Tuition Account Programs and
22 College Savings Bond Act, if a Tuition Account Program Contract
23 is terminated under section 313(a) of the Tuition Account
24 Programs and College Savings Bond Act, a payment received by an
25 account owner from the Treasury Department shall not be
26 considered in the classes of income under section 303 for the
27 purpose of computing the tax under Article III.

28 Amend Bill, page 6, line 28, by striking out "in 60 days."

29 and inserting

30 as follows:

- 31 (1) The following shall take effect immediately:
32 (i) The amendment of section 303(a.7) (2) (i) (B) of
33 the act.
34 (ii) This section.
35 (2) The remainder of this act shall take effect in 60
36 days.