
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1272 Session of
2023

INTRODUCED BY SAPPEY, INNAMORATO, FIEDLER, FLEMING, FREEMAN,
GUENST, HILL-EVANS, JAMES, KHAN, KRAJEWSKI, MADDEN, MADSEN,
RABB, SALISBURY, SANCHEZ, SCHLOSSBERG, SCOTT, SHUSTERMAN AND
VENKAT, MAY 31, 2023

REFERRED TO COMMITTEE ON FINANCE, MAY 31, 2023

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 personal income tax, providing for alternative
11 special tax provisions for poverty.

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

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
15 the Tax Reform Code of 1971, is amended by adding a section to
16 read:

17 Section 304.3. Alternative Special Tax Provisions for
18 Poverty.--(a) A claimant who has a dependent shall be entitled
19 to a refund or forgiveness of money that has been paid over to,
20 or would except for the provisions of this section be payable
21 to, the Commonwealth under the provisions of this article for

1 taxable years beginning after December 31, 2023, in the amount
2 by which twenty-five per cent of the earned income credit
3 allowable under 26 U.S.C. § 32 (relating to earned income)
4 exceeds the tax imposed under this article for the taxable year.

5 (b) A claimant who is eligible for the special tax
6 provisions for poverty under section 304 may claim a refund or
7 forgiveness under subsection (a) in lieu of utilizing the
8 special tax provisions for poverty.

9 (c) For a claimant or claimant's spouse who files separate
10 Federal tax returns, the credit authorized under subsection (a)
11 may only be used by the spouse with the greater tax otherwise
12 due, computed without regard to the credit.

13 Section 2. This act shall take effect immediately.