

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2132 Session of 2024

INTRODUCED BY DALEY, O'NEAL, HOWARD, JAMES, KHAN, MARCELL, MERSKI, SANCHEZ, HOHENSTEIN, DONAHUE, HADDOCK, NEILSON, PIELLI, HILL-EVANS, BOYD, BELLMON, SCHLOSSBERG, OTTEN, GREEN, WEBSTER, FLEMING AND T. DAVIS, MARCH 19, 2024

SENATOR PITTMAN, RULES AND EXECUTIVE NOMINATIONS, IN SENATE, RE-REPORTED AS AMENDED, OCTOBER 8, 2024

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, establishing the Pennsylvania-Ireland
3 Trade Commission and the Pennsylvania-Ireland Trade
4 Commission Fund; imposing duties on the Department of
5 Community and Economic Development; PROVIDING FOR THE
6 ENTERTAINMENT ECONOMIC ENHANCEMENT PROGRAM; MAKING REPEALS;
7 and making an editorial change.

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8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Chapter 15 heading of Title 12 of the
11 Pennsylvania Consolidated Statutes is amended to read:

CHAPTER 15

[(Reserved)]

PENNSYLVANIA-IRELAND TRADE COMMISSION

15 Section 2. Chapter 15 of Title 12 is amended by adding
16 sections to read:

17 § 1501. Definitions.

18 The following words and phrases when used in this chapter

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

3 "Commission." The Pennsylvania-Ireland Trade Commission  
4 established under section 1502 (relating to establishment of  
5 commission).

6 "Department." The Department of Community and Economic  
7 Development of the Commonwealth.

8 "Financial assets." Monetary and other financial gifts,  
9 grants, donations, bequests, payments and other monetary  
10 contributions from individuals, corporations, foundations,  
11 public and private organizations and institutions and any other  
12 source.

13 "Fund." The Pennsylvania-Ireland Trade Commission Fund  
14 established under section 1503 (relating to Pennsylvania-Ireland  
15 Trade Commission Fund).

16 "Secretary." The Secretary of Community and Economic  
17 Development of the Commonwealth.

18 § 1502. Establishment of commission.

19 The Pennsylvania-Ireland Trade Commission is established  
20 within the department.

21 § 1503. Pennsylvania-Ireland Trade Commission Fund.

22 (a) Establishment and purposes.--The Pennsylvania-Ireland  
23 Trade Commission Fund is established as a nonlapsing fund within  
24 the State Treasury to accept financial assets to defray the  
25 administrative expenses of the commission and implement and  
26 administer the provisions of this chapter.

27 (b) Operation.--

28 (1) All money deposited into the fund and interest and  
29 other earnings on the money in the fund are appropriated on a  
30 continuing basis to the commission for the purposes described

1 in subsection (a).

2 (2) Any money remaining in the fund at the end of each  
3 fiscal year, including interest and other earnings, shall not  
4 revert to the General Fund, but shall remain in the fund.

5 § 1504. Membership requirements.

6 (a) Appointments.--The commission shall consist of the  
7 following members:

8 (1) The secretary or a designee of the secretary.

9 (2) Six individuals appointed by the Governor, which  
10 shall include:

11 (i) At least one representative from a public  
12 institution of higher education.

13 (ii) At least one representative from the  
14 Pennsylvania Chamber of Business and Industry or a  
15 successor organization.

16 (iii) At least two members representing Irish-  
17 American communities, neither of whom shall be members of  
18 the same political party.

19 (3) Two individuals appointed by the President pro  
20 tempore of the Senate.

21 (4) Two individuals appointed by the Speaker of the  
22 House of Representatives.

23 (5) Two individuals appointed by the Minority Leader of  
24 the Senate.

25 (6) Two individuals appointed by the Minority Leader of  
26 the House of Representatives.

27 (b) Qualifications.--All members appointed by the President  
28 pro tempore of the Senate, the Speaker of the House of  
29 Representatives, the Minority Leader of the Senate and the  
30 Minority Leader of the House of Representatives shall have

1 current or past involvement in organizations that promote Irish  
2 affairs or have interest in the well-being of trade relations  
3 between Pennsylvania and Ireland.

4 (c) Length of term.--

5 (1) The members appointed under subsection (a)(2) shall  
6 serve for a term of four years.

7 (2) Members appointed under subsection (a)(3), (4), (5)  
8 and (6) shall serve for a term of two years.

9 (d) Initial appointments.--Initial appointments to the  
10 commission shall be made no later than 90 days after the  
11 effective date of this subsection.

12 (e) Vacancies.--A vacancy in the membership of the  
13 commission shall be filled in the same manner as the original  
14 appointment was made.

15 (f) Compensation prohibited.--Members of the commission  
16 shall serve without compensation but may be reimbursed for  
17 expenses actually incurred in the performance of the member's  
18 duties within the limit of money appropriated to the commission  
19 or otherwise made available to the commission for its purposes.

20 (g) Chair.--The President pro tempore of the Senate shall  
21 designate one chair from among the President pro tempore's  
22 appointments. The Speaker of the House of Representatives shall  
23 designate one chair from among the Speaker of the House of  
24 Representatives' appointments.

25 (h) Quorum.--A majority of the members of the commission  
26 shall constitute a quorum for the transaction of the business of  
27 the commission.

28 § 1505. Meetings.

29 The commission shall meet quarterly and hold hearings as  
30 necessary at the places it designates within this Commonwealth.

1 § 1506. Applicability.

2 The following acts shall apply to the commission:

3 (1) The act of July 19, 1957 (P.L.1017, No.451), known  
4 as the State Adverse Interest Act.

5 (2) The act of February 14, 2008 (P.L.6, No.3), known as  
6 the Right-to-Know Law.

7 (3) The provisions of 65 Pa.C.S. Chs. 7 (relating to  
8 open meetings) and 11 (relating to ethics standards and  
9 financial disclosure).

10 § 1507. Fiduciary relationship.

11 The members of the commission shall stand in a fiduciary  
12 relationship with the Commonwealth and the commission as to the  
13 financial assets of the commission.

14 § 1508. Powers and duties.

15 The commission shall have and may exercise all powers and  
16 duties necessary or appropriate to carry out and effectuate the  
17 commission's purposes, including:

18 (1) Advance bilateral trade and investment between  
19 Pennsylvania and Ireland.

20 (2) Initiate joint action on policy issues of mutual  
21 interest to Pennsylvania and Ireland.

22 (3) Promote business and academic exchanges between  
23 Pennsylvania and Ireland.

24 (4) Encourage mutual economic support between  
25 Pennsylvania and Ireland.

26 (5) Encourage mutual investment in the infrastructure of  
27 Pennsylvania and Ireland.

28 (6) Accept financial assets to defray the administrative  
29 expenses of the commission and implement and administer the  
30 provisions of this chapter.

1           (7) Adopt bylaws, if necessary.

2           (8) Address other issues as determined by the  
3           commission.

4   § 1509. Report.

5           The commission shall report its findings, results and  
6           recommendations to the Governor and the General Assembly within  
7           one year of the commission's initial organizational meeting and  
8           by February 1 of each succeeding year for the activities in the  
9           preceding calendar year. The report shall be in writing and  
10           include recommendations as deemed appropriate by the commission  
11           to effectuate the commission's purposes.

12           ~~Section 3. This act shall take effect immediately.~~           <--

13           SECTION 3. TITLE 12 IS AMENDED BY ADDING A CHAPTER TO READ:   <--

14   CHAPTER 32

15   ENTERTAINMENT ECONOMIC ENHANCEMENT PROGRAM

16           SEC.

17           3201. SCOPE OF CHAPTER.

18           3202. DEFINITIONS.

19           3203. PROCEDURE.

20           3204. DETERMINATION OF PENNSYLVANIA REHEARSAL AND TOUR  
21   EXPENSES.

22           3205. LIMITATIONS.

23           3206. CLAIM.

24           3207. CARRYOVER, CARRYBACK AND ASSIGNMENT OF TAX CREDIT.

25           3208. PASS-THROUGH ENTITY.

26           3209. PENALTY.

27           3210. REGISTRATIONS.

28           3211. DEPARTMENT GUIDELINES AND REGULATIONS.

29           3212. REPORT TO GENERAL ASSEMBLY.

30           § 3201. SCOPE OF CHAPTER.

1 THIS CHAPTER RELATES TO THE ENTERTAINMENT ECONOMIC  
2 ENHANCEMENT PROGRAM.

3 § 3202. DEFINITIONS.

4 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER  
5 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
6 CONTEXT CLEARLY INDICATES OTHERWISE:

7 "CLASS 1 VENUE." A STADIUM, ARENA, OTHER STRUCTURE OR  
8 PROPERTY AT WHICH CONCERTS ARE PERFORMED AND WHICH IS ALL OF THE  
9 FOLLOWING:

10 (1) LOCATED IN A CITY OF THE FIRST CLASS OR A COUNTY OF  
11 THE SECOND CLASS.

12 (2) OWNED BY ANY OF THE FOLLOWING:

13 (I) A MUNICIPALITY.

14 (II) AN AUTHORITY FORMED UNDER ARTICLE XXV-A OF THE  
15 ACT OF JULY 28, 1953 (P.L.723, NO.230), KNOWN AS THE  
16 SECOND CLASS COUNTY CODE.

17 (III) A STATE-RELATED INSTITUTION.

18 (3) CONSTRUCTED IN A MANNER IN WHICH THE VENUE HAS A  
19 SEATING CAPACITY OF AT LEAST 10,000.

20 "CLASS 2 VENUE." A STADIUM, ARENA OR OTHER STRUCTURE AT  
21 WHICH CONCERTS ARE PERFORMED AND WHICH IS ALL OF THE FOLLOWING:

22 (1) LOCATED OUTSIDE THE GEOGRAPHIC BOUNDARIES OF A CITY  
23 OF THE FIRST CLASS OR A COUNTY OF THE SECOND CLASS.

24 (2) CONSTRUCTED IN A MANNER IN WHICH THE VENUE HAS A  
25 SEATING CAPACITY OF AT LEAST 6,000.

26 "CLASS 3 VENUE." A STADIUM, ARENA, OTHER STRUCTURE OR  
27 PROPERTY WHICH IS ANY OF THE FOLLOWING:

28 (1) LOCATED WITHIN A NEIGHBORHOOD IMPROVEMENT ZONE AS  
29 DEFINED IN SECTION 1902-B OF THE TAX REFORM CODE.

30 (2) OWNED BY OR AFFILIATED WITH A STATE-RELATED

1 INSTITUTION.

2 (3) OWNED BY THE COMMONWEALTH AND AFFILIATED WITH THE  
3 STATE SYSTEM OF HIGHER EDUCATION.

4 (4) LEASED BY OR AFFILIATED WITH A QUALIFIED CHARITABLE  
5 CORPORATION FOR THE PERFORMANCE OF A CONCERT.

6 "CONCERT." A LIVE PERFORMANCE OF MUSIC IN THE PRESENCE OF  
7 INDIVIDUALS WHO VIEW THE PERFORMANCE.

8 "CONCERT TOUR EQUIPMENT." INCLUDES STAGE, SET, SCENERY,  
9 DESIGN ELEMENTS, AUTOMATION, RIGGING, TRUSSES, SPOTLIGHTS,  
10 LIGHTING, SOUND EQUIPMENT, VIDEO EQUIPMENT, SPECIAL EFFECTS,  
11 CASES, COMMUNICATION DEVICES, POWER DISTRIBUTION EQUIPMENT,  
12 BACKLINE, PERSONAL PROTECTIVE EQUIPMENT AND OTHER MISCELLANEOUS  
13 EQUIPMENT OR SUPPLIES USED DURING A CONCERT OR REHEARSAL.

14 "MAINTAINED A PLACE OF BUSINESS" OR "MAINTAINING A PLACE OF  
15 BUSINESS." ALL OF THE FOLLOWING:

16 (1) OWNING OR RENTING AT LEAST 5,000 SQUARE FEET OF  
17 OFFICE, WAREHOUSE OR OTHER SPACE WITHIN THIS COMMONWEALTH.

18 (2) USING AN OFFICE, WAREHOUSE OR OTHER SPACE LOCATED  
19 WITHIN THIS COMMONWEALTH TO SELL, LEASE, MANUFACTURE OR  
20 DELIVER TANGIBLE PERSONAL PROPERTY OR IN THE PERFORMANCE OF A  
21 SERVICE.

22 (3) EMPLOYING INDIVIDUALS SUBJECT TO PENNSYLVANIA  
23 EMPLOYMENT TAXES IN THE SALE, LEASE, MANUFACTURE OR DELIVERY  
24 OF TANGIBLE PERSONAL PROPERTY OR IN THE PERFORMANCE OF A  
25 SERVICE.

26 (4) IF IN THE BUSINESS OF SELLING, LEASING,  
27 MANUFACTURING OR DELIVERING TANGIBLE PERSONAL PROPERTY,  
28 MAINTAINING AN INVENTORY OF TANGIBLE PERSONAL PROPERTY WITHIN  
29 THIS COMMONWEALTH FOR THE SALE, LEASE OR DELIVERY TO  
30 RESIDENTS OF OR ENTITIES DOING BUSINESS IN THIS COMMONWEALTH.



1           (5) REGULARLY ENGAGING IN THE LEASE, SALE OR DELIVERY OF  
2 TANGIBLE PERSONAL PROPERTY OR THE PERFORMANCE OF A SERVICE AS  
3 A BUSINESS FOR RESIDENTS OF OR ENTITIES DOING BUSINESS IN  
4 THIS COMMONWEALTH.

5           "MINIMUM REHEARSAL AND TOUR REQUIREMENTS." DURING A TOUR,  
6 ALL OF THE FOLLOWING MUST OCCUR:

7           (1) THE PURCHASE OR RENTAL OF CONCERT TOUR EQUIPMENT, IN  
8 AN AMOUNT OF AT LEAST \$2,500,000, FROM COMPANIES LOCATED AND  
9 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH FOR USE  
10 ON THE TOUR.

11           (2) A REHEARSAL AT A QUALIFIED REHEARSAL FACILITY FOR A  
12 MINIMUM OF 10 DAYS.

13           (3) AT LEAST ONE CONCERT PERFORMED AT A CLASS 1 VENUE.

14           (4) AT LEAST ONE CONCERT PERFORMED AT A VENUE WHICH IS  
15 LOCATED IN A MUNICIPALITY OTHER THAN THE MUNICIPALITY IN  
16 WHICH THE CLASS 1 VENUE UNDER PARAGRAPH (3) IS LOCATED.

17           (5) THE TAXPAYER SHALL MAINTAIN A PLACE OF BUSINESS IN  
18 THIS COMMONWEALTH OR EMPLOY A REPRESENTATIVE FOR THE PERIOD  
19 BEGINNING WITH THE START DATE AND ENDING WITH THE AWARD OF  
20 TAX CERTIFICATES UNDER SECTION 3203(E) (RELATING TO  
21 PROCEDURE).

22           "PASS-THROUGH ENTITY." ANY OF THE FOLLOWING:

23           (1) A PARTNERSHIP AS DEFINED IN SECTION 301(N.0) OF THE  
24 TAX REFORM CODE.

25           (2) A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION  
26 301(N.1) OF THE TAX REFORM CODE.

27           (3) AN UNINCORPORATED ENTITY SUBJECT TO SECTION 307.21  
28 OF THE TAX REFORM CODE.

29           "PENNSYLVANIA LIVE EVENTS INDUSTRY." A QUALIFIED REHEARSAL  
30 FACILITY, VENDORS OF CONCERT TOUR EQUIPMENT LOCATED AND

1 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH, VENUES  
2 LOCATED IN THIS COMMONWEALTH AND ANY PROMOTER OF LIVE  
3 PERFORMANCES LOCATED AND MAINTAINING A PLACE OF BUSINESS IN THIS  
4 COMMONWEALTH.

5 "PENNSYLVANIA REHEARSAL AND TOUR EXPENSES." THE SUM OF  
6 PENNSYLVANIA REHEARSAL EXPENSES AND TOUR EXPENSES. THE TERM  
7 INCLUDES PENNSYLVANIA REHEARSAL EXPENSES AND TOUR EXPENSES PAID  
8 PRIOR TO OR DURING A REHEARSAL OR TOUR.

9 "PENNSYLVANIA REHEARSAL EXPENSE." A REHEARSAL EXPENSE WHICH  
10 IS INCURRED OR WILL BE INCURRED WITHIN THIS COMMONWEALTH. THE  
11 TERM INCLUDES:

12 (1) A PAYMENT WHICH IS MADE OR WILL BE MADE BY A  
13 RECIPIENT TO A PERSON UPON WHICH WITHHOLDING WILL BE MADE ON  
14 THE PAYMENT BY THE RECIPIENT AS REQUIRED UNDER PART VII OF  
15 ARTICLE III OF THE TAX REFORM CODE OR A PAYMENT WHICH IS MADE  
16 OR WILL BE MADE TO A PERSON THAT IS REQUIRED TO MAKE  
17 ESTIMATED PAYMENTS UNDER PART VIII OF ARTICLE III OF THE TAX  
18 REFORM CODE.

19 (2) A PAYMENT WHICH IS MADE OR WILL BE MADE TO A  
20 PERSONAL SERVICE CORPORATION REPRESENTING INDIVIDUAL TALENT  
21 IF THE TAX IMPOSED BY ARTICLE IV OF THE TAX REFORM CODE WILL  
22 BE PAID OR ACCRUED ON THE NET INCOME OF THE CORPORATION FOR  
23 THE TAXABLE YEAR.

24 (3) A PAYMENT WHICH IS MADE OR WILL BE MADE TO A PASS-  
25 THROUGH ENTITY REPRESENTING INDIVIDUAL TALENT FOR WHICH  
26 WITHHOLDING WILL BE MADE BY THE PASS-THROUGH ENTITY ON THE  
27 PAYMENT AS REQUIRED UNDER PART VII OR VII-A OF ARTICLE III OF  
28 THE TAX REFORM CODE.

29 "PERSONAL PROTECTIVE EQUIPMENT." INCLUDES EQUIPMENT,  
30 SERVICES AND SUPPLIES NECESSARY TO SCREEN, TEST, SHIELD OR

1 PROTECT PERFORMERS OR INDIVIDUALS FROM HEALTH PATHOGENS DURING A  
2 REHEARSAL OR TOUR. THE TERM INCLUDES COSTS ASSOCIATED WITH  
3 CLEANING AND DISINFECTING QUALIFIED REHEARSAL FACILITIES AND  
4 VENUES USED ON A TOUR AND COSTS ASSOCIATED WITH COMPLYING WITH  
5 SAFETY PROTOCOLS ESTABLISHED TO COMBAT COVID-19 AND OTHER HEALTH  
6 PATHOGENS.

7 "QUALIFIED CHARITABLE CORPORATION." A NONPROFIT CORPORATION  
8 WHICH IS OR DOES ALL OF THE FOLLOWING:

9 (1) IS INCORPORATED IN AND OPERATES EXCLUSIVELY WITHIN  
10 THIS COMMONWEALTH.

11 (2) IS ORGANIZED EXCLUSIVELY FOR CHARITABLE, LITERARY OR  
12 EDUCATIONAL PURPOSES WITHIN THE MEANING OF 26 U.S.C. § 501(C)

13 (3) (RELATING TO EXEMPTION FROM TAX ON CORPORATIONS, CERTAIN  
14 TRUSTS, ETC.) TO PROMOTE AND SUPPORT PERFORMANCES OF THE  
15 MUSICAL ARTS IN PENNSYLVANIA.

16 (3) IS RECOGNIZED, OR INTENDS TO APPLY FOR RECOGNITION,  
17 BY THE UNITED STATES INTERNAL REVENUE SERVICE AS A TAX-EXEMPT  
18 ORGANIZATION UNDER 26 U.S.C. § 501(C) (3).

19 (4) EMPLOYS A REPRESENTATIVE.

20 (5) IS REGISTERED BY THE DEPARTMENT UNDER SECTION  
21 3210(B) (RELATING TO REGISTRATIONS).

22 "QUALIFIED REHEARSAL AND TOUR EXPENSE." ALL PENNSYLVANIA  
23 REHEARSAL AND TOUR EXPENSES IF PENNSYLVANIA REHEARSAL EXPENSES  
24 COMPRISE OR WILL COMPRISE AT LEAST 60% OF THE TOTAL REHEARSAL  
25 EXPENSES. THE TERM SHALL NOT INCLUDE MORE THAN \$2,000,000 IN THE  
26 AGGREGATE OF COMPENSATION PAID OR TO BE PAID TO INDIVIDUALS OR  
27 PAYMENT MADE OR TO BE MADE TO ENTITIES REPRESENTING AN  
28 INDIVIDUAL FOR SERVICES PROVIDED IN THE TOUR.

29 "QUALIFIED REHEARSAL FACILITY." A REHEARSAL FACILITY WHICH  
30 DOES BOTH OF THE FOLLOWING:

1 (1) MEETS AT LEAST SIX OF THE FOLLOWING CRITERIA:

2 (I) HAS HAD A MINIMUM OF \$8,000,000 INVESTED IN THE  
3 REHEARSAL FACILITY IN LAND OR STRUCTURE, OR A COMBINATION  
4 OF LAND AND STRUCTURE.

5 (II) HAS A PERMANENT GRID SYSTEM WITH A CAPACITY OF  
6 1,000,000 POUNDS.

7 (III) HAS A BUILT-IN POWER SUPPLY SYSTEM AVAILABLE  
8 AT A MINIMUM OF 3,200 AMPS WITHOUT THE NEED FOR  
9 SUPPLEMENTAL GENERATORS.

10 (IV) HAS A HEIGHT FROM FLOOR TO PERMANENT GRID OF A  
11 MINIMUM OF 80 FEET.

12 (V) HAS AT LEAST TWO SLIDING OR ROLL-UP ACCESS DOORS  
13 WITH A MINIMUM HEIGHT OF 14 FEET.

14 (VI) HAS A PERIMETER SECURITY SYSTEM WHICH INCLUDES  
15 24-HOUR, SEVEN-DAYS-A-WEEK SECURITY CAMERAS AND THE USE  
16 OF ACCESS CONTROL IDENTIFICATION BADGES.

17 (VII) HAS A SERVICE AREA WITH PRODUCTION OFFICES,  
18 CATERING AND DRESSING ROOMS WITH A MINIMUM OF 5,000  
19 SQUARE FEET.

20 (VIII) IS LOCATED WITHIN ONE MILE OF A MINIMUM OF  
21 TWO COMPANIES WHICH PROVIDE CONCERT TOUR EQUIPMENT FOR  
22 USE ON A TOUR.

23 (2) IS REGISTERED BY THE DEPARTMENT UNDER SECTION  
24 3210(A).

25 "QUALIFIED TAX LIABILITY." THE LIABILITY FOR TAXES IMPOSED  
26 UNDER ARTICLE III, IV, VI, VII, VIII, IX OR XV OF THE TAX REFORM  
27 CODE. THE TERM DOES NOT INCLUDE TAX WITHHELD BY AN EMPLOYER FROM  
28 AN EMPLOYEE UNDER ARTICLE III OF THE TAX REFORM CODE.

29 "RECIPIENT." A TAXPAYER THAT HAS BEEN AWARDED A TAX CREDIT  
30 UNDER SECTION 3203(E).

1 "REHEARSAL." AN EVENT OR SERIES OF EVENTS WHICH OCCUR IN  
2 PREPARATION FOR A TOUR PRIOR TO THE START OF THE TOUR OR DURING  
3 A TOUR WHEN ADDITIONAL PREPARATION MAY BE NEEDED.

4 "REHEARSAL EXPENSE." ALL OF THE FOLLOWING WHICH ARE INCURRED  
5 OR WILL BE INCURRED DURING A REHEARSAL:

6 (1) COMPENSATION PAID OR TO BE PAID TO AN INDIVIDUAL  
7 EMPLOYED IN THE REHEARSAL OF THE PERFORMANCE.

8 (2) PAYMENT TO A PERSONAL SERVICE CORPORATION  
9 REPRESENTING INDIVIDUAL TALENT.

10 (3) PAYMENT TO A PASS-THROUGH ENTITY REPRESENTING  
11 INDIVIDUAL TALENT.

12 (4) THE COSTS OF CONSTRUCTION, OPERATIONS, EDITING,  
13 PHOTOGRAPHY, STAGING, LIGHTING, WARDROBE AND ACCESSORIES.

14 (5) THE COST OF LEASING VEHICLES.

15 (6) THE COST OF TRANSPORTATION OF PEOPLE OR CONCERT TOUR  
16 EQUIPMENT TO OR FROM A TRAIN STATION, BUS DEPOT, AIRPORT OR  
17 OTHER TRANSPORTATION FACILITY OR DIRECTLY FROM A RESIDENCE OR  
18 BUSINESS ENTITY.

19 (7) THE COST OF GROUND TRANSPORTATION OF INDIVIDUALS FOR  
20 AN ENTIRE TOUR IF THE GROUND TRANSPORTATION IS PURCHASED OR  
21 WILL BE PURCHASED FROM A TRANSPORTATION COMPANY MAINTAINING A  
22 PLACE OF BUSINESS IN THIS COMMONWEALTH.

23 (8) THE COST OF GROUND OR AIR TRANSPORTATION OF CONCERT  
24 TOUR EQUIPMENT FOR AN ENTIRE TOUR IF THE GROUND OR AIR  
25 TRANSPORTATION IS PURCHASED OR WILL BE PURCHASED FROM A  
26 TRANSPORTATION COMPANY MAINTAINING A PLACE OF BUSINESS IN  
27 THIS COMMONWEALTH.

28 (9) THE COST OF INSURANCE COVERAGE FOR AN ENTIRE TOUR IF  
29 THE INSURANCE COVERAGE IS PURCHASED OR WILL BE PURCHASED  
30 THROUGH AN INSURANCE AGENT MAINTAINING A PLACE OF BUSINESS IN

1 THIS COMMONWEALTH.

2 (10) THE COST OF FOOD AND LODGING.

3 (11) THE COST OF PURCHASING OR RENTING CONCERT TOUR  
4 EQUIPMENT.

5 (12) THE COST OF RENTING A FACILITY LOCATED IN THIS  
6 COMMONWEALTH FOR REHEARSAL IF THE RENTAL IS PURCHASED OR WILL  
7 BE PURCHASED THROUGH A QUALIFIED REHEARSAL FACILITY.

8 (13) THE COST OF EMERGENCY OR MEDICAL SUPPORT SERVICES  
9 REQUIRED TO CONDUCT A REHEARSAL.

10 "REHEARSAL FACILITY." AS FOLLOWS:

11 (1) A FACILITY PRIMARILY USED FOR REHEARSALS WHICH IS  
12 ALL OF THE FOLLOWING:

13 (I) LOCATED WITHIN THIS COMMONWEALTH.

14 (II) A MINIMUM OF 20,000 SQUARE FEET OF COLUMN-FREE,  
15 UNOBSTRUCTED FLOOR SPACE.

16 (2) THE TERM DOES NOT INCLUDE A FACILITY AT WHICH  
17 CONCERTS ARE CAPABLE OF BEING HELD.

18 "REPRESENTATIVE." A PERSON THAT MEETS ALL OF THE FOLLOWING  
19 CRITERIA:

20 (1) IS AUTHORIZED TO COMMUNICATE WITH THE DEPARTMENT ON  
21 BEHALF OF A QUALIFIED CHARITABLE CORPORATION OR TAXPAYER  
22 REGARDING AN APPLICATION SUBMITTED UNDER SECTION 3203(A).

23 (2) MAINTAINS A PLACE OF BUSINESS IN THIS COMMONWEALTH.

24 (3) HAS SUBSTANTIAL EXPERIENCE WORKING WITH THE  
25 PENNSYLVANIA LIVE EVENTS INDUSTRY.

26 (4) HAS EMPLOYEES WHO ARE REGISTERED WITH THE DEPARTMENT  
27 OF REVENUE IN ACCORDANCE WITH SECTION 1706-A.1 OF THE TAX  
28 REFORM CODE.

29 (5) IS REGISTERED BY THE DEPARTMENT UNDER SECTION  
30 3210(C).

1 "START DATE." THE DATE THE FIRST SET OF CONCERT TOUR  
2 EQUIPMENT ARRIVES OR IS EXPECTED TO ARRIVE AT A QUALIFIED  
3 REHEARSAL FACILITY.

4 "STATE-RELATED INSTITUTION." AS THE TERM IS DEFINED IN 62  
5 PA.C.S. § 103 (RELATING TO DEFINITIONS).

6 "TAX CREDIT." THE CONCERT REHEARSAL AND TOUR TAX CREDIT AS  
7 PROVIDED UNDER THIS CHAPTER.

8 "TAX REFORM CODE." THE ACT OF MARCH 4, 1971 (P.L.6, NO.2),  
9 KNOWN AS THE TAX REFORM CODE OF 1971.

10 "TAXPAYER." A MUSICAL PERFORMER OR PERFORMERS OR A CONCERT  
11 TOUR MANAGEMENT COMPANY OF A MUSICAL PERFORMER OR PERFORMERS  
12 SUBJECT TO TAX UNDER ARTICLE III, IV OR VI OF THE TAX REFORM  
13 CODE. THE TERM DOES NOT INCLUDE CONTRACTORS OR SUBCONTRACTORS OF  
14 A MUSICAL PERFORMER OR PERFORMERS OR OF A CONCERT TOUR  
15 MANAGEMENT COMPANY OF A MUSICAL PERFORMER OR PERFORMERS.

16 "TOUR." A SERIES OF CONCERTS PERFORMED OR TO BE PERFORMED BY  
17 A MUSICAL PERFORMER IN MORE THAN ONE LOCATION. THE TERM INCLUDES  
18 AT LEAST ONE REHEARSAL.

19 "TOUR EXPENSE." AS FOLLOWS:

20 (1) COSTS INCURRED OR WHICH WILL BE INCURRED DURING A  
21 TOUR FOR VENUES LOCATED IN THIS COMMONWEALTH. THE TERM  
22 INCLUDES ALL OF THE FOLLOWING:

23 (I) A PAYMENT WHICH IS MADE OR WILL BE MADE BY A  
24 RECIPIENT TO A PERSON UPON WHICH WITHHOLDING WILL BE MADE  
25 ON THE PAYMENT BY THE RECIPIENT AS REQUIRED UNDER PART  
26 VII OF ARTICLE III OF THE TAX REFORM CODE OR A PAYMENT  
27 WHICH IS MADE OR WILL BE MADE TO A PERSON WHO IS REQUIRED  
28 TO MAKE ESTIMATED PAYMENTS UNDER PART VIII OF ARTICLE III  
29 OF THE TAX REFORM CODE.

30 (II) THE COST OF TRANSPORTATION OF PEOPLE WHICH IS

1 INCURRED OR WILL BE INCURRED WHILE TRANSPORTING TO OR  
2 FROM A TRAIN STATION, BUS DEPOT, AIRPORT OR OTHER  
3 TRANSPORTATION FACILITY OR WHILE TRANSPORTING DIRECTLY  
4 FROM A RESIDENCE OR BUSINESS ENTITY LOCATED IN THIS  
5 COMMONWEALTH, OR WHICH IS INCURRED OR WILL BE INCURRED  
6 FOR TRANSPORTATION PROVIDED BY A COMPANY WHICH IS SUBJECT  
7 TO THE TAX IMPOSED UNDER ARTICLE III OR IV OF THE TAX  
8 REFORM CODE.

9 (III) THE COST OF LEASING VEHICLES UPON WHICH THE  
10 TAX IMPOSED BY ARTICLE II OF THE TAX REFORM CODE WILL BE  
11 PAID OR ACCRUED.

12 (IV) THE COST OF PURCHASING OR RENTING FACILITIES  
13 AND EQUIPMENT FROM OR THROUGH A RESIDENT OF THIS  
14 COMMONWEALTH OR AN ENTITY SUBJECT TO TAXATION IN THIS  
15 COMMONWEALTH.

16 (V) THE COST OF FOOD AND LODGING WHICH IS INCURRED  
17 OR WILL BE INCURRED FROM A FACILITY LOCATED IN THIS  
18 COMMONWEALTH.

19 (VI) EXPENSES WHICH ARE INCURRED OR WILL BE INCURRED  
20 IN MARKETING OR ADVERTISING A TOUR AT VENUES LOCATED  
21 WITHIN THIS COMMONWEALTH.

22 (VII) THE COST OF MERCHANDISE WHICH IS PURCHASED OR  
23 WILL BE PURCHASED FROM A COMPANY LOCATED WITHIN THIS  
24 COMMONWEALTH AND USED ON THE TOUR.

25 (VIII) A PAYMENT WHICH IS MADE OR WILL BE MADE TO A  
26 PERSONAL SERVICE CORPORATION REPRESENTING INDIVIDUAL  
27 TALENT IF THE TAX IMPOSED BY ARTICLE IV OF THE TAX REFORM  
28 CODE WILL BE PAID OR ACCRUED ON THE NET INCOME OF THE  
29 CORPORATION FOR THE TAXABLE YEAR.

30 (IX) A PAYMENT WHICH IS MADE OR WILL BE MADE TO A



1 PASS-THROUGH ENTITY REPRESENTING INDIVIDUAL TALENT FOR  
2 WHICH WITHHOLDING WILL BE MADE BY THE PASS-THROUGH ENTITY  
3 ON THE PAYMENT AS REQUIRED UNDER PART VII OR VII-A OF  
4 ARTICLE III OF THE TAX REFORM CODE.

5 (2) THE COST OF CONCERT TOUR EQUIPMENT NOT USED DURING  
6 REHEARSAL BUT USED FOR AN ENTIRE TOUR IF THE CONCERT TOUR  
7 EQUIPMENT IS PURCHASED OR WILL BE PURCHASED FROM A COMPANY  
8 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH AND  
9 SUBJECT TO THE TAX IMPOSED UNDER ARTICLE III OR IV OF THE TAX  
10 REFORM CODE. THE TERM INCLUDES THE COST OF PERSONAL  
11 PROTECTIVE EQUIPMENT WHICH IS PURCHASED OR WILL BE PURCHASED  
12 FROM A COMPANY LOCATED WITHIN THIS COMMONWEALTH AND USED ON  
13 THE TOUR.

14 (3) THE TERM DOES NOT INCLUDE DEVELOPMENT COST,  
15 INCLUDING THE WRITING OF MUSIC OR LYRICS.  
16 "VENUE." A CLASS 1 VENUE, CLASS 2 VENUE OR CLASS 3 VENUE.  
17 § 3203. PROCEDURE.

18 (A) APPLICATION.--A TAXPAYER MAY APPLY TO THE DEPARTMENT FOR  
19 A TAX CREDIT UNDER THIS SECTION. THE APPLICATION SHALL BE ON THE  
20 FORM REQUIRED BY THE DEPARTMENT.

21 (B) REVIEW AND APPROVAL.--

22 (1) THE DEPARTMENT SHALL ESTABLISH APPLICATION PERIODS  
23 NOT TO EXCEED 10 DAYS ON A BIMONTHLY BASIS. ALL APPLICATIONS  
24 RECEIVED DURING AN APPLICATION PERIOD SHALL BE REVIEWED AND  
25 EVALUATED BY THE DEPARTMENT BASED ON THE FOLLOWING CRITERIA:

26 (I) THE ANTICIPATED NUMBER OF REHEARSAL DAYS AT A  
27 QUALIFIED REHEARSAL FACILITY.

28 (II) THE ANTICIPATED NUMBER OF CONCERTS AT CLASS 1  
29 VENUES.

30 (III) THE ANTICIPATED NUMBER OF CONCERTS AT CLASS 2

1 VENUES.

2 (IV) THE ANTICIPATED NUMBER OF CONCERTS AT CLASS 3  
3 VENUES.

4 (V) THE ANTICIPATED AMOUNT OF PENNSYLVANIA REHEARSAL  
5 EXPENSES IN COMPARISON TO THE ANTICIPATED AGGREGATE  
6 AMOUNT OF REHEARSAL EXPENSES.

7 (VI) THE ANTICIPATED AMOUNT OF THE TOUR EXPENSES.

8 (VII) THE ANTICIPATED AMOUNT OF THE CONCERT TOUR  
9 EQUIPMENT EXPENSES WHICH ARE OR WILL BE PURCHASED OR  
10 RENTED FROM A COMPANY LOCATED AND MAINTAINING A PLACE OF  
11 BUSINESS IN THIS COMMONWEALTH AND WHICH WILL BE USED ON  
12 THE TOUR.

13 (VIII) THE ANTICIPATED NUMBER OF DAYS SPENT IN  
14 COMMONWEALTH HOTELS.

15 (IX) OTHER CRITERIA THAT THE DEPARTMENT DEEMS  
16 APPROPRIATE TO ENSURE MAXIMUM EMPLOYMENT OPPORTUNITIES  
17 AND ENTERTAINMENT BENEFITS FOR THE RESIDENTS OF THIS  
18 COMMONWEALTH.

19 (2) EXCEPT AS PROVIDED IN SUBSECTION (C) AND UPON  
20 DETERMINING THAT THE TAXPAYER HAS PAID THE APPLICABLE  
21 APPLICATION FEE NOT TO EXCEED \$300, HAS MET OR WILL MEET THE  
22 MINIMUM REHEARSAL AND TOUR REQUIREMENTS AND HAS INCURRED OR  
23 WILL INCUR QUALIFIED REHEARSAL AND TOUR EXPENSES, THE  
24 DEPARTMENT MAY APPROVE THE TAXPAYER FOR A TAX CREDIT.  
25 APPLICATIONS NOT APPROVED MAY BE REVIEWED AND CONSIDERED IN  
26 SUBSEQUENT APPLICATION PERIODS. THE DEPARTMENT MAY APPROVE A  
27 TAXPAYER FOR A TAX CREDIT BASED ON ITS EVALUATION OF THE  
28 CRITERIA UNDER THIS SUBSECTION.

29 (C) RESTRICTION.--THE DEPARTMENT MAY ONLY CONSIDER  
30 REHEARSALS HELD OR TO BE HELD, AND QUALIFIED REHEARSAL AND TOUR

1 EXPENSES INCURRED OR TO BE INCURRED, AFTER JANUARY 1, 2017, IN  
2 DETERMINING WHETHER A TAXPAYER HAS MET OR WILL MEET THE MINIMUM  
3 REHEARSAL AND TOUR REQUIREMENTS.

4 (D) CONTRACT.--IF THE DEPARTMENT APPROVES THE TAXPAYER'S  
5 APPLICATION UNDER SUBSECTION (B), THE DEPARTMENT AND THE  
6 TAXPAYER SHALL ENTER INTO A CONTRACT CONTAINING THE FOLLOWING:

7 (1) AN ITEMIZED LIST OF REHEARSAL EXPENSES INCURRED OR  
8 TO BE INCURRED FOR THE TOUR.

9 (2) AN ITEMIZED LIST OF PENNSYLVANIA REHEARSAL EXPENSES  
10 INCURRED OR TO BE INCURRED FOR THE TOUR.

11 (3) WITH RESPECT TO A CONTRACT ENTERED INTO PRIOR TO  
12 COMPLETION OF A TOUR, A COMMITMENT BY THE TAXPAYER TO INCUR  
13 THE PENNSYLVANIA REHEARSAL EXPENSES AS ITEMIZED.

14 (4) AN ITEMIZED LIST OF THE QUALIFIED REHEARSAL AND TOUR  
15 EXPENSES INCURRED OR TO BE INCURRED FOR THE TOUR.

16 (5) WITH RESPECT TO A CONTRACT ENTERED INTO PRIOR TO  
17 COMPLETION OF A TOUR, A COMMITMENT BY THE TAXPAYER TO INCUR  
18 THE QUALIFIED REHEARSAL AND TOUR EXPENSES AS ITEMIZED.

19 (6) WITH RESPECT TO A CONTRACT ENTERED INTO PRIOR TO  
20 COMPLETION OF A TOUR, A COMMITMENT BY THE TAXPAYER TO HOLD AT  
21 LEAST ONE CONCERT AT A CLASS 1 VENUE.

22 (7) WITH RESPECT TO A CONTRACT ENTERED INTO PRIOR TO  
23 COMPLETION OF A TOUR, A COMMITMENT BY THE TAXPAYER TO HOLD AT  
24 LEAST ONE CONCERT AT A VENUE LOCATED IN A MUNICIPALITY OTHER  
25 THAN THE MUNICIPALITY IN WHICH THE CLASS 1 VENUE UNDER  
26 PARAGRAPH (6) IS LOCATED.

27 (8) THE START DATE OR THE EXPECTED START DATE.

28 (9) ANY OTHER INFORMATION THE DEPARTMENT DEEMS  
29 APPROPRIATE.

30 (E) CERTIFICATE.--UPON EXECUTION OF THE CONTRACT REQUIRED BY

1 SUBSECTION (D), THE DEPARTMENT SHALL AWARD THE TAXPAYER A  
2 CONCERT REHEARSAL AND TOUR TAX CREDIT AND ISSUE THE RECIPIENT A  
3 TAX CREDIT CERTIFICATE.

4 § 3204. DETERMINATION OF PENNSYLVANIA REHEARSAL AND TOUR  
5 EXPENSES.

6 (A) DETERMINATION.--WHEN PRESCRIBING STANDARDS FOR  
7 DETERMINING WHICH REHEARSAL OR TOUR EXPENSES ARE CONSIDERED  
8 PENNSYLVANIA REHEARSAL AND TOUR EXPENSES FOR PURPOSES OF  
9 COMPUTING THE TAX CREDIT PROVIDED BY THIS CHAPTER, THE  
10 DEPARTMENT SHALL CONSIDER:

11 (1) THE LOCATION WHERE SERVICES ARE PERFORMED.

12 (2) THE LOCATION WHERE CONCERT TOUR EQUIPMENT IS  
13 PURCHASED, RENTED, DELIVERED AND USED.

14 (3) THE LOCATION WHERE REHEARSALS OR CONCERTS ARE HELD.

15 (4) OTHER FACTORS THE DEPARTMENT DETERMINES ARE  
16 RELEVANT.

17 (B) WAIVER.--THE DEPARTMENT MAY MAKE A DETERMINATION THAT  
18 THE FINANCIAL BENEFIT TO THIS COMMONWEALTH RESULTING FROM THE  
19 DIRECT INVESTMENT IN OR PAYMENTS MADE TO PENNSYLVANIA REHEARSAL  
20 AND CONCERT FACILITIES OUTWEIGHS THE BENEFIT OF MAINTAINING THE  
21 60% PENNSYLVANIA REHEARSAL EXPENSES REQUIREMENT CONTAINED IN THE  
22 DEFINITION OF "QUALIFIED REHEARSAL AND TOUR EXPENSE" UNDER  
23 SECTION 3202 (RELATING TO DEFINITIONS). IF THE DETERMINATION IS  
24 MADE, THE DEPARTMENT MAY WAIVE THE REQUIREMENT THAT 60% OF A  
25 TOUR'S AGGREGATE REHEARSAL EXPENSES BE COMPRISED OF PENNSYLVANIA  
26 REHEARSAL EXPENSES.

27 § 3205. LIMITATIONS.

28 (A) CAP.--

29 (1) THE AGGREGATE AMOUNT OF TAX CREDITS AWARDED IN A  
30 FISCAL YEAR UNDER THIS CHAPTER MAY NOT EXCEED \$24,000,000.

1           (2) IN A FISCAL YEAR, THE DEPARTMENT MAY, IN THE  
2 DEPARTMENT'S DISCRETION, ADVANCE THE AWARD OF TAX CREDITS FOR  
3 QUALIFIED REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE  
4 INCURRED EQUAL TO \$2,000,000 OF THE TAX CREDITS AVAILABLE TO  
5 BE AWARDED IN THE SUCCEEDING FISCAL YEAR.

6           (3) IF, IN A FISCAL YEAR, THE MAXIMUM AMOUNT OF CREDITS  
7 AUTHORIZED BY THIS SUBSECTION ARE NOT AWARDED BY THE  
8 DEPARTMENT, THE DEPARTMENT MAY INCREASE THE TOTAL AMOUNT OF  
9 TAX CREDITS THAT THE DEPARTMENT MAY AWARD FOR QUALIFIED  
10 REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE INCURRED  
11 RELATED TO A TOUR IN THE IMMEDIATELY SUCCEEDING FISCAL YEAR  
12 BY THE AMOUNT THAT WAS NOT AWARDED IN THE PRECEDING FISCAL  
13 YEAR.

14           (B) ADVANCE AWARD OF CREDITS.--THE ADVANCE AWARD OF TAX  
15 CREDITS UNDER SUBSECTION (A) (2) SHALL:

16           (1) COUNT AGAINST THE TOTAL AMOUNT OF TAX CREDITS THAT  
17 THE DEPARTMENT MAY AWARD FOR QUALIFIED REHEARSAL AND TOUR  
18 EXPENSES INCURRED OR TO BE INCURRED RELATED TO A TOUR IN THAT  
19 NEXT SUCCEEDING FISCAL YEAR; AND

20           (2) REDUCE THE TOTAL AMOUNT OF TAX CREDITS THAT THE  
21 DEPARTMENT MAY AWARD FOR QUALIFIED REHEARSAL AND TOUR  
22 EXPENSES INCURRED OR TO BE INCURRED RELATED TO A TOUR IN THAT  
23 NEXT SUCCEEDING FISCAL YEAR.

24           (C) INDIVIDUAL LIMITATIONS.--

25           (1) A TAXPAYER MAY NOT BE:

26           (I) AWARDED MORE THAN \$1,500,000 OF TAX CREDITS FOR  
27 A TOUR IF THE SUM OF THE TAXPAYER'S PURCHASE OR RENTAL OF  
28 CONCERT TOUR EQUIPMENT FROM COMPANIES LOCATED AND  
29 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH FOR  
30 USE ON THE TOUR AND ANY CONTRIBUTION TO A QUALIFIED

1 CHARITABLE CORPORATION IS EQUAL TO OR MORE THAN  
2 \$2,500,000 BUT LESS THAN \$3,500,000.

3 (II) AWARDED MORE THAN \$2,250,000 OF TAX CREDITS FOR  
4 A TOUR IF THE SUM OF THE TAXPAYER'S PURCHASE OR RENTAL OF  
5 CONCERT TOUR EQUIPMENT FROM COMPANIES LOCATED AND  
6 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH FOR  
7 USE ON THE TOUR AND ANY CONTRIBUTION TO A QUALIFIED  
8 CHARITABLE CORPORATION IS EQUAL TO OR MORE THAN  
9 \$3,500,000 BUT LESS THAN \$5,500,000.

10 (III) AWARDED MORE THAN \$3,000,000 OF TAX CREDITS  
11 FOR A TOUR IF THE SUM OF THE TAXPAYER'S PURCHASE OR  
12 RENTAL OF CONCERT TOUR EQUIPMENT FROM COMPANIES LOCATED  
13 AND MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH  
14 FOR USE ON THE TOUR AND ANY CONTRIBUTION TO A QUALIFIED  
15 CHARITABLE CORPORATION IS EQUAL TO OR MORE THAN  
16 \$5,500,000 BUT LESS THAN \$7,500,000.

17 (IV) AWARDED MORE THAN \$3,500,000 OF TAX CREDITS FOR  
18 A TOUR IF THE SUM OF THE TAXPAYER'S PURCHASE OR RENTAL OF  
19 CONCERT TOUR EQUIPMENT FROM COMPANIES LOCATED AND  
20 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH FOR  
21 USE ON THE TOUR AND ANY CONTRIBUTION TO A QUALIFIED  
22 CHARITABLE CORPORATION IS EQUAL TO OR MORE THAN  
23 \$7,500,000 BUT LESS THAN \$10,000,000.

24 (V) AWARDED MORE THAN \$4,250,000 OF TAX CREDITS FOR  
25 A TOUR IF THE SUM OF THE TAXPAYER'S PURCHASE OR RENTAL OF  
26 CONCERT TOUR EQUIPMENT FROM COMPANIES LOCATED AND  
27 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH FOR  
28 USE ON THE TOUR AND ANY CONTRIBUTION TO A QUALIFIED  
29 CHARITABLE CORPORATION IS EQUAL TO OR MORE THAN  
30 \$10,000,000 BUT LESS THAN \$12,000,000.

1           (VI) AWARDED MORE THAN \$5,000,000 OF TAX CREDITS FOR  
2           A TOUR IF THE SUM OF THE TAXPAYER'S PURCHASE OR RENTAL OF  
3           CONCERT TOUR EQUIPMENT FROM COMPANIES LOCATED AND  
4           MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH FOR  
5           USE ON THE TOUR AND ANY CONTRIBUTION TO A QUALIFIED  
6           CHARITABLE CORPORATION IS EQUAL TO OR MORE THAN  
7           \$12,000,000.

8           (2) EXCEPT AS PROVIDED UNDER PARAGRAPH (4), THE  
9           AGGREGATE AMOUNT OF TAX CREDITS AWARDED BY THE DEPARTMENT  
10          UNDER SECTION 3203(E) (RELATING TO PROCEDURE) TO A TAXPAYER  
11          FOR A TOUR WITH CONCERTS AT TWO CLASS 1 VENUES OR A CLASS 1  
12          VENUE AND A CLASS 2 VENUE MAY NOT EXCEED 35% OF THE QUALIFIED  
13          REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE INCURRED.

14          (3) EXCEPT AS PROVIDED UNDER PARAGRAPH (4), THE  
15          AGGREGATE AMOUNT OF TAX CREDITS AWARDED BY THE DEPARTMENT  
16          UNDER SECTION 3203(E) TO A TAXPAYER FOR A TOUR WITH CONCERTS  
17          AT A CLASS 1 VENUE AND A CLASS 3 VENUE MAY NOT EXCEED 40% OF  
18          THE QUALIFIED REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE  
19          INCURRED.

20          (4) NOTWITHSTANDING THE LIMITATION UNDER PARAGRAPHS (2)  
21          AND (3), A TAXPAYER IS ELIGIBLE FOR A TAX CREDIT IN THE  
22          AMOUNT OF 5% OF THE QUALIFIED REHEARSAL AND TOUR EXPENSES  
23          INCURRED OR TO BE INCURRED BY THE TAXPAYER IF THE TAXPAYER  
24          HOLDS CONCERTS AT A TOTAL OF TWO OR MORE CLASS 2 VENUES OR  
25          CLASS 3 VENUES.

26          (5) FOR PURPOSES OF DETERMINING THE APPLICABLE  
27          LIMITATION UNDER PARAGRAPH (1), A CONTRIBUTION TO A QUALIFIED  
28          CHARITABLE CORPORATION MAY NOT EXCEED \$250,000.

29   § 3206. CLAIM.

30          BEGINNING JULY 1, 2017, A RECIPIENT MAY CLAIM A CONCERT

1 REHEARSAL AND TOUR TAX CREDIT AGAINST THE QUALIFIED TAX  
2 LIABILITY OF THE RECIPIENT.

3 § 3207. CARRYOVER, CARRYBACK AND ASSIGNMENT OF TAX CREDIT.

4 (A) GENERAL RULE.--IF A RECIPIENT CANNOT USE THE ENTIRE  
5 AMOUNT OF A TAX CREDIT FOR THE TAXABLE YEAR IN WHICH THE TAX  
6 CREDIT IS FIRST APPROVED, THE EXCESS MAY BE CARRIED OVER TO  
7 SUCCEEDING TAXABLE YEARS AND USED AS A TAX CREDIT AGAINST THE  
8 QUALIFIED TAX LIABILITY OF THE RECIPIENT FOR THOSE TAXABLE  
9 YEARS. EACH TIME THE TAX CREDIT IS CARRIED OVER TO A SUCCEEDING  
10 TAXABLE YEAR, THE TAX CREDIT SHALL BE REDUCED BY THE AMOUNT THAT  
11 WAS USED AS A CREDIT DURING THE IMMEDIATELY PRECEDING TAXABLE  
12 YEAR. THE TAX CREDIT MAY BE CARRIED OVER AND APPLIED TO  
13 SUCCEEDING TAXABLE YEARS FOR NO MORE THAN THREE TAXABLE YEARS  
14 FOLLOWING THE FIRST TAXABLE YEAR FOR WHICH THE RECIPIENT WAS  
15 ENTITLED TO CLAIM THE TAX CREDIT.

16 (B) APPLICATION.--A TAX CREDIT APPROVED BY THE DEPARTMENT IN  
17 A TAXABLE YEAR FIRST SHALL BE APPLIED AGAINST THE RECIPIENT'S  
18 QUALIFIED TAX LIABILITY FOR THE CURRENT TAXABLE YEAR AS OF THE  
19 DATE ON WHICH THE TAX CREDIT WAS APPROVED BEFORE THE TAX CREDIT  
20 CAN BE APPLIED AGAINST TAX LIABILITY UNDER SUBSECTION (A).

21 (C) NO CARRYBACK OR REFUND.--A RECIPIENT SHALL NOT BE  
22 ENTITLED TO CARRY BACK OR OBTAIN A REFUND OF ANY PORTION OF AN  
23 UNUSED TAX CREDIT GRANTED TO THE RECIPIENT UNDER THIS CHAPTER.

24 (D) SALE OR ASSIGNMENT.--

25 (1) A RECIPIENT, UPON APPLICATION TO AND APPROVAL BY THE  
26 DEPARTMENT, MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX  
27 CREDIT GRANTED TO THE RECIPIENT UNDER THIS CHAPTER.

28 (2) THE DEPARTMENT AND THE DEPARTMENT OF REVENUE SHALL  
29 JOINTLY PROMULGATE REGULATIONS FOR THE APPROVAL OF  
30 APPLICATIONS UNDER THIS SUBSECTION.



1           (3) BEFORE AN APPLICATION IS APPROVED, THE DEPARTMENT OF  
2 REVENUE MUST MAKE A FINDING THAT THE RECIPIENT HAS FILED ALL  
3 REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE  
4 TAXABLE YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS  
5 DETERMINED AT SETTLEMENT, ASSESSMENT OR DETERMINATION BY THE  
6 DEPARTMENT OF REVENUE.

7           (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE  
8 DEPARTMENT OF REVENUE SHALL SETTLE, ASSESS OR DETERMINE THE  
9 TAX OF A TAXPAYER UNDER THIS SUBSECTION WITHIN 60 DAYS OF THE  
10 FILING OF ALL REQUIRED FINAL RETURNS OR REPORTS IN ACCORDANCE  
11 WITH SECTION 806.1(A) (5) OF THE ACT OF APRIL 9, 1929  
12 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE.

13 (E) PURCHASERS AND ASSIGNEES.--

14           (1) THE PURCHASER OR ASSIGNEE OF ALL OR A PORTION OF A  
15 TAX CREDIT UNDER SUBSECTION (D) SHALL IMMEDIATELY CLAIM THE  
16 TAX CREDIT IN THE TAXABLE YEAR IN WHICH THE PURCHASE OR  
17 ASSIGNMENT IS MADE.

18           (2) THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER OR  
19 ASSIGNEE MAY USE AGAINST ONE QUALIFIED TAX LIABILITY MAY NOT  
20 EXCEED 75% OF THE QUALIFIED TAX LIABILITY FOR THE TAXABLE  
21 YEAR.

22           (3) THE PURCHASER OR ASSIGNEE MAY NOT CARRY FORWARD,  
23 CARRY BACK OR OBTAIN A REFUND OF OR SELL OR ASSIGN THE TAX  
24 CREDIT.

25           (4) THE PURCHASER OR ASSIGNEE SHALL NOTIFY THE  
26 DEPARTMENT OF REVENUE OF THE SELLER OR ASSIGNOR OF THE TAX  
27 CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE  
28 DEPARTMENT OF REVENUE.

29 § 3208. PASS-THROUGH ENTITY.

30           (A) GENERAL RULE.--IF A PASS-THROUGH ENTITY HAS ANY UNUSED

1 TAX CREDITS UNDER SECTION 3207 (RELATING TO CARRYOVER, CARRYBACK  
2 AND ASSIGNMENT OF TAX CREDIT), THE PASS-THROUGH ENTITY MAY ELECT  
3 IN WRITING, ACCORDING TO PROCEDURES ESTABLISHED BY THE  
4 DEPARTMENT OF REVENUE, TO TRANSFER ALL OR A PORTION OF THE TAX  
5 CREDITS TO SHAREHOLDERS, MEMBERS OR PARTNERS IN PROPORTION TO  
6 THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME TO WHICH EACH  
7 SHAREHOLDER, MEMBER OR PARTNER IS ENTITLED.

8 (B) LIMITATION.--A PASS-THROUGH ENTITY AND A SHAREHOLDER,  
9 MEMBER OR PARTNER OF A PASS-THROUGH ENTITY MAY NOT CLAIM THE TAX  
10 CREDIT UNDER SUBSECTION (A) FOR THE SAME QUALIFIED REHEARSAL AND  
11 TOUR EXPENSE.

12 (C) APPLICATION.--A SHAREHOLDER, MEMBER OR PARTNER OF A  
13 PASS-THROUGH ENTITY TO WHOM A TAX CREDIT IS TRANSFERRED UNDER  
14 SUBSECTION (A) SHALL IMMEDIATELY CLAIM THE TAX CREDIT IN THE  
15 TAXABLE YEAR IN WHICH THE TRANSFER IS MADE. THE SHAREHOLDER,  
16 MEMBER OR PARTNER MAY NOT CARRY FORWARD, CARRY BACK, OBTAIN A  
17 REFUND OF OR SELL OR ASSIGN THE TAX CREDIT.

18 § 3209. PENALTY.

19 A RECIPIENT WHICH CLAIMS A TAX CREDIT AND FAILS TO INCUR THE  
20 AMOUNT OF QUALIFIED REHEARSAL AND TOUR EXPENSES AGREED TO UNDER  
21 SECTION 3203(D) (4) (RELATING TO PROCEDURE) FOR A TOUR IN THAT  
22 TAXABLE YEAR SHALL REPAY TO THE COMMONWEALTH AN AMOUNT EQUAL TO  
23 110% OF THE DIFFERENCE BETWEEN THE AMOUNT AGREED TO UNDER  
24 SECTION 3203(D) (4) AND THE AMOUNT OF QUALIFIED REHEARSAL AND  
25 TOUR EXPENSES ACTUALLY INCURRED BY THE RECIPIENT. THE PENALTY  
26 SHALL BE ASSESSED AND COLLECTED UNDER ARTICLE II OF THE TAX  
27 REFORM CODE.

28 § 3210. REGISTRATIONS.

29 (A) QUALIFIED REHEARSAL FACILITY.--TO BE CONSIDERED A  
30 QUALIFIED REHEARSAL FACILITY UNDER THIS CHAPTER, THE OWNER OF A

1 REHEARSAL FACILITY SHALL PROVIDE EVIDENCE TO THE DEPARTMENT TO  
2 VERIFY THE DEVELOPMENT OR FACILITY SPECIFICATIONS AND CAPITAL  
3 IMPROVEMENT COSTS INCURRED FOR THE REHEARSAL FACILITY SO THAT  
4 THE THRESHOLD AMOUNTS SET IN THE DEFINITION OF "QUALIFIED  
5 REHEARSAL FACILITY" ARE SATISFIED, AND, UPON VERIFICATION, THE  
6 REHEARSAL FACILITY SHALL BE REGISTERED BY THE DEPARTMENT  
7 OFFICIALLY AS A QUALIFIED REHEARSAL FACILITY.

8 (B) QUALIFIED CHARITABLE CORPORATION.--TO BE CONSIDERED A  
9 QUALIFIED CHARITABLE CORPORATION UNDER THIS CHAPTER, THE BOARD  
10 OF A CORPORATION SHALL PROVIDE EVIDENCE TO THE DEPARTMENT TO  
11 VERIFY THE REQUIREMENTS IN THE DEFINITION OF "QUALIFIED  
12 CHARITABLE CORPORATION" ARE SATISFIED, AND, UPON VERIFICATION,  
13 THE CORPORATION SHALL BE REGISTERED BY THE DEPARTMENT OFFICIALLY  
14 AS A QUALIFIED CHARITABLE CORPORATION.

15 (C) REPRESENTATIVE.--TO BE CONSIDERED A REPRESENTATIVE UNDER  
16 THIS CHAPTER, AN ENTITY SHALL PROVIDE EVIDENCE TO THE DEPARTMENT  
17 TO VERIFY THE REQUIREMENTS IN THE DEFINITION OF "REPRESENTATIVE"  
18 ARE SATISFIED, AND, UPON VERIFICATION, THE ENTITY SHALL BE  
19 REGISTERED BY THE DEPARTMENT OFFICIALLY AS A REPRESENTATIVE.  
20 § 3211. DEPARTMENT GUIDELINES AND REGULATIONS.

21 THE DEPARTMENT SHALL DEVELOP WRITTEN GUIDELINES FOR THE  
22 IMPLEMENTATION OF THIS CHAPTER. THE GUIDELINES SHALL BE IN  
23 EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE  
24 IMPLEMENTATION OF THIS CHAPTER.

25 § 3212. REPORT TO GENERAL ASSEMBLY.

26 NO LATER THAN JUNE 1, 2018, AND SEPTEMBER 1 OF EACH YEAR  
27 THEREAFTER, THE SECRETARY OF COMMUNITY AND ECONOMIC DEVELOPMENT  
28 SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY SUMMARIZING THE  
29 EFFECTIVENESS OF THE TAX CREDITS PROVIDED BY THIS CHAPTER. THE  
30 REPORT SHALL INCLUDE THE NAME OF THE TOURS WHICH REHEARSED IN

1 THIS COMMONWEALTH, THE NAMES OF ALL RECIPIENTS AWARDED A TAX  
2 CREDIT AS OF THE DATE OF THE REPORT AND THE AMOUNT OF TAX  
3 CREDITS APPROVED FOR EACH RECIPIENT. THE REPORT MAY ALSO INCLUDE  
4 RECOMMENDATIONS FOR CHANGES IN THE CALCULATION OR ADMINISTRATION  
5 OF THE TAX CREDITS PROVIDED UNDER THIS CHAPTER. THE REPORT SHALL  
6 BE SUBMITTED TO THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE  
7 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRPERSON AND  
8 MINORITY CHAIRPERSON OF THE FINANCE COMMITTEE OF THE SENATE, THE  
9 CHAIRPERSON AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS  
10 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE CHAIRPERSON  
11 AND MINORITY CHAIRPERSON OF THE FINANCE COMMITTEE OF THE HOUSE  
12 OF REPRESENTATIVES. THE REPORT SHALL INCLUDE THE FOLLOWING  
13 INFORMATION, WHICH SHALL BE SEPARATED BY GEOGRAPHIC LOCATION  
14 WITHIN THIS COMMONWEALTH:

15 (1) THE AMOUNT OF TAX CREDITS CLAIMED DURING THE FISCAL  
16 YEAR BY TOUR.

17 (2) THE TOTAL AMOUNT SPENT IN THIS COMMONWEALTH DURING  
18 THE FISCAL YEAR BY TOURS AND CONCERT TOUR PROMOTION COMPANIES  
19 FOR SERVICES AND SUPPLIES.

20 (3) THE TOTAL AMOUNT OF TAX REVENUES, BOTH DIRECTLY AND  
21 INDIRECTLY, GENERATED FOR THE COMMONWEALTH DURING THE FISCAL  
22 YEAR BY THE CONCERT REHEARSAL AND TOUR INDUSTRY.

23 SECTION 4. THE ADDITION OF 12 PA.C.S. CH. 32 SHALL APPLY  
24 RETROACTIVELY TO JANUARY 1, 2024.

25 SECTION 5. THE DEPARTMENT OF COMMUNITY AND ECONOMIC  
26 DEVELOPMENT SHALL PERMIT AN APPLICANT THAT SUBMITTED AN  
27 APPLICATION AFTER DECEMBER 31, 2023, BUT BEFORE THE EFFECTIVE  
28 DATE OF THIS SECTION TO SUBMIT AN AMENDED APPLICATION.

29 SECTION 6. REPEALS ARE AS FOLLOWS:

30 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEALS UNDER

1 PARAGRAPHS (2) AND (3) ARE NECESSARY TO EFFECTUATE THE  
2 ADDITION OF 12 PA.C.S. CH. 32.

3 (2) SUBARTICLE E OF ARTICLE XVII-D OF THE ACT OF MARCH  
4 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971,  
5 IS REPEALED.

6 (3) SECTION 1604-H(B) OF THE ACT OF APRIL 9, 1929  
7 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, IS REPEALED.

8 SECTION 7. THE ADDITION OF 12 PA.C.S. CH. 32 IS A  
9 CONTINUATION OF SUBARTICLE E OF ARTICLE XVII-D OF THE ACT OF  
10 MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF  
11 1971. THE FOLLOWING APPLY:

12 (1) EXCEPT AS OTHERWISE PROVIDED IN 12 PA.C.S. CH. 32,  
13 ALL ACTIVITIES INITIATED UNDER SUBARTICLE E OF ARTICLE XVII-D  
14 OF THE TAX REFORM CODE OF 1971 SHALL CONTINUE AND REMAIN IN  
15 FULL FORCE AND EFFECT AND MAY BE COMPLETED UNDER 12 PA.C.S.  
16 CH. 32. ORDERS, REGULATIONS, RULES AND DECISIONS WHICH WERE  
17 MADE UNDER SUBARTICLE E OF ARTICLE XVII-D OF THE TAX REFORM  
18 CODE OF 1971 AND WHICH ARE IN EFFECT ON THE EFFECTIVE DATE OF  
19 SECTION 6 OF THIS ACT SHALL REMAIN IN FULL FORCE AND EFFECT  
20 UNTIL REVOKED, VACATED OR MODIFIED UNDER 12 PA.C.S. CH. 32.  
21 CONTRACTS, OBLIGATIONS AND COLLECTIVE BARGAINING AGREEMENTS  
22 ENTERED INTO UNDER SUBARTICLE E OF ARTICLE XVII-D OF THE TAX  
23 REFORM CODE OF 1971 ARE NOT AFFECTED NOR IMPAIRED BY THE  
24 REPEAL OF SUBARTICLE E OF ARTICLE XVII-D OF THE TAX REFORM  
25 CODE OF 1971.

26 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3), ANY DIFFERENCE  
27 IN LANGUAGE BETWEEN 12 PA.C.S. CH. 32 AND SUBARTICLE E OF  
28 ARTICLE XVII-D OF THE TAX REFORM CODE OF 1971 IS INTENDED  
29 ONLY TO CONFORM TO THE STYLE OF THE PENNSYLVANIA CONSOLIDATED  
30 STATUTES AND IS NOT INTENDED TO CHANGE OR AFFECT THE

1 LEGISLATIVE INTENT, JUDICIAL CONSTRUCTION OR ADMINISTRATION  
2 AND IMPLEMENTATION OF SUBARTICLE E OF ARTICLE XVII-D OF THE  
3 TAX REFORM CODE OF 1971.

4 (3) PARAGRAPH (2) DOES NOT APPLY TO THE FOLLOWING  
5 PROVISIONS:

6 (I) THE ADDITION OF THE DEFINITIONS OF "CLASS 1  
7 VENUE," "CLASS 3 VENUE," "MAINTAINING A PLACE OF  
8 BUSINESS," "MINIMUM REHEARSAL AND TOUR REQUIREMENTS,"  
9 "QUALIFIED CHARITABLE CORPORATION," "REHEARSAL EXPENSE,"  
10 "REPRESENTATIVE," "STATE-RELATED INSTITUTION,"  
11 "TAXPAYER," "TOUR" AND "VENUE" IN 12 PA.C.S. § 3202.

12 (II) THE EXCLUSION OF THE DEFINITION OF "STREAMING  
13 PERFORMANCE."

14 (III) THE ADDITION OF 12 PA.C.S. §§ 3203(B),  
15 3205(C), 3207(E) AND 3210.

16 SECTION 8. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.