

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2476 Session of 2024

INTRODUCED BY O'MARA, CEPHAS, HILL-EVANS, PROBST, MAYES,
SCHLOSSBERG, HANBIDGE, HOHENSTEIN, SIEGEL, CURRY, OTTEN,
SHUSTERMAN, GIRAL, KHAN, CIRESI, DELLOSO, SANCHEZ, GALLAGHER,
BOYD, HOWARD, D. WILLIAMS AND DALEY, JULY 2, 2024

REFERRED TO COMMITTEE ON EDUCATION, JULY 2, 2024

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, further providing for
11 classes of income.

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

14 Section 1. Section 303 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding a subsection to read:

17 Section 303. Classes of Income.--* * *

18 (a.11) The following apply:

19 (1) The following shall not be subject to tax under this
20 article:

21 (i) The discharge of an eligible student loan under a

1 qualified loan forgiveness program.

2 (ii) Amounts paid or incurred by an employer of an employe
3 for educational assistance provided to an employe that are
4 excludable under section 127 of the Internal Revenue Code of
5 1986, as amended.

6 (2) For the purposes of this subsection:

7 (i) "Eligible student loan" shall mean a student loan issued
8 pursuant to 20 U.S.C. Ch. 28 Subch. IV (relating to student
9 assistance), as amended.

10 (ii) "Qualified loan forgiveness program" means a loan
11 forgiveness program established under 34 CFR Subt. B Ch. VI
12 (relating to Office of Postsecondary Education, Department of
13 Education), as amended.

14 * * *

15 Section 2. The addition of section 303(a.11) of the act
16 shall apply to taxable years beginning after December 31, 2024.

17 Section 3. This act shall take effect immediately.