

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2565 Session of 2024

INTRODUCED BY SAMUELSON, McNEILL, SCHLOSSBERG, PIELLI, WEBSTER, KHAN, HILL-EVANS, SANCHEZ, FRIEL, JAMES, CEPEDA-FREYTIZ, DALEY, KENYATTA AND MERSKI, SEPTEMBER 17, 2024

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, OCTOBER 22, 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 Pennsylvania Economic Development for a~~
11 ~~Growing Economy (PA EDGE) tax credits relating to~~
12 ~~semiconductor manufacturing and biomedical manufacturing and~~
13 ~~research, further providing for definitions, for eligibility,~~
14 ~~for application and approval of credits and for sale or~~
15 ~~assignment.~~

16 AMENDING THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), ENTITLED "AN <--
17 ACT RELATING TO TAX REFORM AND STATE TAXATION BY CODIFYING
18 AND ENUMERATING CERTAIN SUBJECTS OF TAXATION AND IMPOSING
19 TAXES THEREON; PROVIDING PROCEDURES FOR THE PAYMENT,
20 COLLECTION, ADMINISTRATION AND ENFORCEMENT THEREOF; PROVIDING
21 FOR TAX CREDITS IN CERTAIN CASES; CONFERRING POWERS AND
22 IMPOSING DUTIES UPON THE DEPARTMENT OF REVENUE, CERTAIN
23 EMPLOYERS, FIDUCIARIES, INDIVIDUALS, PERSONS, CORPORATIONS
24 AND OTHER ENTITIES; PRESCRIBING CRIMES, OFFENSES AND
25 PENALTIES," IN PENNSYLVANIA ECONOMIC DEVELOPMENT FOR A
26 GROWING ECONOMY (PA EDGE) TAX CREDITS, REPEALING PROVISIONS
27 RELATING TO LOCAL RESOURCE MANUFACTURING AND FOR PENNSYLVANIA
28 MILK PROCESSING AND PROVIDING FOR RELIABLE ENERGY INVESTMENT
29 TAX CREDIT AND FOR PENNSYLVANIA MILK PROCESSING; IN REGIONAL
30 CLEAN HYDROGEN HUBS, FURTHER PROVIDING FOR DEFINITIONS, FOR
31 ELIGIBILITY, FOR APPLICATION AND APPROVAL OF TAX CREDIT, FOR
32 USE OF TAX CREDITS AND FOR APPLICABILITY; IN SEMICONDUCTOR

1 MANUFACTURING AND BIOMEDICAL MANUFACTURING AND RESEARCH,
2 FURTHER PROVIDING FOR DEFINITIONS AND FOR APPLICATION AND
3 APPROVAL OF TAX CREDIT AND PROVIDING FOR SUSTAINABLE AVIATION
4 FUEL; AND, IN APPLICATION OF PREVAILING WAGE ACT, FURTHER
5 PROVIDING FOR DEFINITIONS.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 ~~Section 1. The definitions of "project facility," "qualified <--~~
9 ~~taxpayer" and "semiconductor manufacturing" in section 1771 L of~~
10 ~~the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform~~
11 ~~Code of 1971, are amended and the section is amended by adding a~~
12 ~~definition to read:~~

13 ~~Section 1771 L. Definitions.~~

14 ~~The following words and phrases when used in this subarticle~~
15 ~~shall have the meanings given to them in this section unless the~~
16 ~~context clearly indicates otherwise:~~

17 ~~* * *~~

18 ~~"Early stage semiconductor business." A business with less~~
19 ~~than \$10,000,000 in revenue in the areas of research or design~~
20 ~~of semiconductor materials, semiconductor devices or~~
21 ~~semiconductor packaging and testing.~~

22 ~~* * *~~

23 ~~"Project facility." A facility located in this Commonwealth~~
24 ~~which is owned and operated by [the] a qualified taxpayer and~~
25 ~~where semiconductor manufacturing, biomedical manufacturing or~~
26 ~~biomedical research is conducted by [the] a qualified taxpayer~~
27 ~~at the project facility.~~

28 ~~"Qualified taxpayer." [A company that satisfies all of the~~
29 ~~following:~~

30 ~~(1) Conducts semiconductor manufacturing, biomedical~~
31 ~~manufacturing or biomedical research in this Commonwealth at~~
32 ~~a project facility in this Commonwealth that has been placed~~

1 ~~in service on or after the effective date of this section.~~

2 ~~(2) Has made a capital investment of at least~~
3 ~~\$200,000,000 in order to construct the project facility and~~
4 ~~place the project facility into service in this Commonwealth.~~

5 ~~(3) Has created a minimum aggregate total of 800~~
6 ~~permanent jobs.~~

7 ~~(4) Has made good faith efforts to recruit and employ,~~
8 ~~and to encourage any contractors or subcontractors to recruit~~
9 ~~and employ, workers from the local labor market for~~
10 ~~employment during the construction of the project facility.~~

11 ~~(5) Has demonstrated that the new jobs created at the~~
12 ~~project facility or for work covered by Subarticle F are paid~~
13 ~~at least the prevailing minimum wage and benefit rates for~~
14 ~~each craft or classification as determined by the Department~~
15 ~~of Labor and Industry.~~

16 ~~(6) The construction work to place a project facility~~
17 ~~into service shall be performed subject to the act of March~~
18 ~~3, 1978 (P.L.6, No.3), known as the Steel Products~~
19 ~~Procurement Act.] A company that either:~~

20 ~~(1) is an early stage semiconductor business; or~~

21 ~~(2) satisfies all of the following:~~

22 ~~(i) Conducts semiconductor manufacturing, biomedical~~
23 ~~manufacturing or biomedical research in this Commonwealth~~
24 ~~at a project facility in this Commonwealth that has been~~
25 ~~placed in service on or after the effective date of this~~
26 ~~definition.~~

27 ~~(ii) Has made a capital investment of at least~~
28 ~~\$20,000,000 in order to construct the project facility~~
29 ~~and place the project facility into service in this~~
30 ~~Commonwealth.~~

1 ~~(iii) Has created or retained a minimum aggregate~~
2 ~~total of 100 permanent jobs.~~

3 ~~(iv) Has made good faith efforts to recruit and~~
4 ~~employ, and to encourage any contractor or subcontractor~~
5 ~~to recruit and employ, workers from the local labor~~
6 ~~market for employment during the construction of the~~
7 ~~project facility.~~

8 ~~(v) Has demonstrated that the new jobs created at~~
9 ~~the project facility or for work covered by Subarticle F~~
10 ~~are paid at least the prevailing minimum wage and benefit~~
11 ~~rates for each craft or classification as determined by~~
12 ~~the Department of Labor and Industry.~~

13 ~~(vi) The construction work to place a project~~
14 ~~facility into service is subject to the act of March 3,~~
15 ~~1978 (P.L.6, No.3), known as the Steel Products~~
16 ~~Procurement Act.~~

17 ~~"Semiconductor manufacturing." [The manufacture of~~
18 ~~components or the creation of advanced processes or technology~~
19 ~~within the semiconductor manufacturing and related equipment and~~
20 ~~material supplier sector.] As follows:~~

21 ~~(1) Any of the following activities:~~

22 ~~(i) the manufacturing of components;~~

23 ~~(ii) the creation of advanced processes or~~
24 ~~technology; or~~

25 ~~(iii) advanced testing and packaging of components,~~
26 ~~in each case within the semiconductor manufacturing and~~
27 ~~related equipment and material supplier.~~

28 ~~(2) The term includes research or design of~~
29 ~~semiconductor materials, semiconductor devices or~~
30 ~~semiconductor packaging and testing.~~

1 ~~Section 2. Sections 1772 L, 1773 L and 1776 L(a) of the act~~
2 ~~are amended to read:~~

3 ~~Section 1772 L. Eligibility.~~

4 ~~In order to be eligible to receive a tax credit, a company~~
5 ~~shall demonstrate the following:~~

6 ~~(1) The company meets the requirements of a qualified~~
7 ~~taxpayer.~~

8 ~~(2) Confirmation that the company has filed all required~~
9 ~~State tax reports and returns for all applicable taxable~~
10 ~~years and paid any balance of State tax due as determined by~~
11 ~~assessment or determination by the department and not under~~
12 ~~timely appeal.~~

13 ~~(3) If the applicant is an early stage semiconductor~~
14 ~~business, the applicant must have at least \$3,000,000 in~~
15 ~~research and development investment during the previous year.~~

16 ~~Section 1773 L. Application and approval of tax credit.~~

17 ~~(a) Determination of tax credit amount. The annual tax~~
18 ~~credit amount may be determined based upon any one or more of~~
19 ~~the following:~~

20 ~~(1) No more than 2.5% of the capital investment.~~

21 ~~(2) No more than 100% of tax withheld from employees and~~
22 ~~paid under Article III or \$20,000, whichever is less, for~~
23 ~~each created or retained permanent job at the project~~
24 ~~facility.~~

25 ~~(b) Application.~~

26 ~~(1) A qualified taxpayer may apply to the department for~~
27 ~~a tax credit under this section.~~

28 ~~(2) The application must be submitted to the department~~
29 ~~by March 1 for the tax credit claimed for semiconductor~~
30 ~~manufacturing, biomedical manufacturing or biomedical~~

1 ~~research conducted by the qualified taxpayer at [the] a~~
2 ~~project facility during the prior calendar year.~~

3 ~~(3) The application must be on the form required by the~~
4 ~~department which shall include the following:~~

5 ~~(i) information required by the department to~~
6 ~~document the semiconductor manufacturing, biomedical~~
7 ~~manufacturing or biomedical research conducted at [the] a~~
8 ~~project facility;~~

9 ~~(ii) information required by the department to~~
10 ~~verify that the applicant is a qualified taxpayer; and~~

11 ~~(iii) any other information as the department deems~~
12 ~~appropriate.~~

13 ~~(c) Review and approval.~~

14 ~~(1) The department shall review the applications and~~
15 ~~shall issue an approval or disapproval by May 1.~~

16 ~~(2) Upon approval, the department shall issue a~~
17 ~~certificate stating the amount of the tax credit granted for~~
18 ~~semiconductor manufacturing, biomedical manufacturing or~~
19 ~~biomedical research conducted at [the] a project facility in~~
20 ~~the prior calendar year.~~

21 ~~(d) Availability of tax credits.~~

22 ~~(1) Each fiscal year, \$20,000,000 in tax credits shall~~
23 ~~be made available to the department in accordance with this~~
24 ~~subarticle.~~

25 ~~(2) The department shall issue [up to \$10,000,000] a~~
26 ~~minimum of \$1,000,000 in a fiscal year to [the qualified~~
27 ~~taxpayer] qualified taxpayers engaged in semiconductor~~
28 ~~manufacturing [which first meets] that first meet the~~
29 ~~qualifications to receive a tax credit under this subarticle.~~

30 ~~The department may not issue more than \$8,000,000 in~~

~~aggregate tax credits in a year under this paragraph.~~

~~(3) The department shall issue [up to \$10,000,000] a minimum of \$1,000,000 in a fiscal year to [the qualified taxpayer] qualified taxpayers engaged in biomedical manufacturing or biomedical research [which first meets] that first meet the qualifications to receive a tax credit under this subarticle.~~

~~(3.1) The department shall issue a minimum of \$100,000 in a fiscal year to early stage semiconductor businesses that first meet the qualifications to receive a tax credit under this subarticle. An early stage semiconductor business may not receive more than \$1,000,000 in any fiscal year and the award may be for up to five years. The department may not issue more than \$2,000,000 in aggregate tax credits in a year under this paragraph.~~

~~(4) An amount under paragraph (1) which remains unallocated under paragraph (2) or (3) after the issuance of credits under paragraph (3.1) shall be issued to the qualified taxpayer which next meets the qualifications to receive a tax credit under this subarticle.~~

~~(5) The total aggregate amount of tax credits awarded to a qualified taxpayer under this subarticle may not exceed 25% of the capital investment made to construct a project facility.~~

~~Section 1776 L. Sale or assignment.~~

~~(a) Authorization. If [the] a qualified taxpayer holds a tax credit through the end of the calendar year in which the tax credit was granted, the qualified taxpayer may sell or assign a tax credit, in whole or in part, provided the sale is effective by the close of the following calendar year.~~

1 * * *

2 ~~Section 3. This act shall take effect in 60 days.~~

3 SECTION 1. SUBARTICLES B AND C OF ARTICLE XVII-L OF THE ACT <--
4 OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF
5 1971, ARE REPEALED:

6 [SUBARTICLE B

7 LOCAL RESOURCE MANUFACTURING

8 SECTION 1711-L. DEFINITIONS.

9 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE
10 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
11 CONTEXT CLEARLY INDICATES OTHERWISE:

12 "DRY NATURAL GAS." NATURAL GAS IN WHICH THERE ARE NO
13 APPRECIABLE NATURAL GAS LIQUIDS RECOVERABLE BY SEPARATION AT THE
14 WELLHEAD.

15 "FERTILIZER." A CHEMICAL PRODUCT DERIVED FROM PETROCHEMICALS
16 WHICH IS ADDED TO SOIL OR LAND TO INCREASE FERTILITY.

17 "NATURAL GAS LIQUIDS." AS DEFINED IN 58 PA.C.S. § 3203
18 (RELATING TO DEFINITIONS).

19 "PETROCHEMICAL." CHEMICAL PRODUCTS OBTAINED FROM REFINING
20 AND PROCESSING NATURAL GAS. THE TERM DOES NOT INCLUDE
21 LIQUEFACTION OR OTHER PROCESSING OF NATURAL GAS FOR THE PURPOSE
22 OF TRANSPORT.

23 "PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH
24 WHICH MANUFACTURES PETROCHEMICALS OR FERTILIZERS USING DRY
25 NATURAL GAS AND WHICH REQUIRED A CAPITAL INVESTMENT OF AT LEAST
26 \$400,000,000 TO CONSTRUCT AND PLACE INTO SERVICE.

27 "QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE
28 FOLLOWING:

- 29 (1) PURCHASES AND USES DRY NATURAL GAS PRODUCED IN THIS
30 COMMONWEALTH IN THE MANUFACTURE OF PETROCHEMICALS OR

1 FERTILIZERS AT A PROJECT FACILITY IN THIS COMMONWEALTH THAT
2 HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF
3 THIS SECTION.

4 (2) HAS MADE A CAPITAL INVESTMENT OF AT LEAST
5 \$400,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND
6 PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

7 (3) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 800 NEW
8 JOBS AND PERMANENT JOBS.

9 (4) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY,
10 AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT
11 AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR
12 EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

13 (5) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE
14 PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID
15 AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
16 EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT
17 OF LABOR AND INDUSTRY.

18 (6) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY
19 INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH
20 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS
21 PROCUREMENT ACT.

22 SECTION 1712-L. ELIGIBILITY.

23 IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY
24 SHALL DEMONSTRATE THE FOLLOWING:

25 (1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED
26 TAXPAYER.

27 (2) THE USE OF CARBON CAPTURE AND SEQUESTRATION
28 TECHNOLOGY, OR SIMILAR TECHNOLOGIES, AT THE PROJECT FACILITY
29 TO THE EXTENT IT IS COST EFFECTIVE AND FEASIBLE AT THE
30 DISCRETION OF THE QUALIFIED TAXPAYER.

1 (3) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED
2 STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE
3 YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY
4 ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER
5 TIMELY APPEAL.

6 SECTION 1713-L. APPLICATION AND APPROVAL OF TAX CREDIT.

7 (A) RATE.--THE TAX CREDIT SHALL BE EQUAL TO \$0.47 PER UNIT
8 OF DRY NATURAL GAS THAT IS PURCHASED AND USED IN THE
9 MANUFACTURING OF PETROCHEMICALS OR FERTILIZERS AT THE PROJECT
10 FACILITY BY A QUALIFIED TAXPAYER.

11 (B) APPLICATION.--

12 (1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR
13 A TAX CREDIT UNDER THIS SECTION.

14 (2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT
15 BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR DRY NATURAL GAS
16 PURCHASED AND USED IN MANUFACTURING OF PETROCHEMICALS OR
17 FERTILIZERS BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY
18 DURING THE PRIOR CALENDAR YEAR.

19 (3) THE APPLICATION MUST BE ON THE FORM REQUIRED BY THE
20 DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

21 (I) INFORMATION REQUIRED BY THE DEPARTMENT TO
22 DOCUMENT THE AMOUNT OF DRY NATURAL GAS PURCHASED AND USED
23 IN THE MANUFACTURE OF PETROCHEMICALS OR FERTILIZERS AT
24 THE PROJECT FACILITY;

25 (II) INFORMATION REQUIRED BY THE DEPARTMENT TO
26 VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

27 (III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
28 APPROPRIATE.

29 (C) REVIEW AND APPROVAL.--

30 (1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND

1 SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

2 (2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
3 CERTIFICATE STATING THE AMOUNT OF TAX CREDIT GRANTED FOR DRY
4 NATURAL GAS PURCHASED AND USED IN THE MANUFACTURE OF
5 PETROCHEMICALS OR FERTILIZERS AT THE PROJECT FACILITY IN THE
6 PRIOR CALENDAR YEAR.

7 (D) AVAILABILITY OF TAX CREDITS.--

8 (1) EACH FISCAL YEAR, \$56,666,668 IN TAX CREDITS SHALL
9 BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS
10 SUBARTICLE.

11 (2) NO MORE THAN TWO QUALIFIED TAXPAYERS SHALL RECEIVE A
12 TAX CREDIT ANNUALLY, FOR A MAXIMUM CREDIT OF \$6,666,667 EACH.

13 (3) THE DEPARTMENT SHALL ISSUE UNALLOCATED TAX CREDITS
14 TO NO MORE THAN ONE QUALIFIED TAXPAYER, NOTWITHSTANDING THE
15 MAXIMUM CREDIT LIMIT UNDER PARAGRAPH (2), IF THE QUALIFIED
16 TAXPAYER:

17 (I) HAS MADE A TOTAL CAPITAL INVESTMENT OF AT LEAST
18 \$1,000,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY
19 AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
20 COMMONWEALTH;

21 (II) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 1,800
22 NEW JOBS AND PERMANENT JOBS; AND

23 (III) HAS SATISFIED ALL OTHER ELIGIBILITY
24 REQUIREMENTS FOR A QUALIFIED TAXPAYER UNDER THIS
25 SUBARTICLE.

26 (4) FOR PURPOSES OF PARAGRAPH (3), THE TERM "UNALLOCATED
27 TAX CREDITS" MEANS THE DIFFERENCE BETWEEN TAX CREDITS
28 AUTHORIZED UNDER PARAGRAPH (1) AND APPROVED UNDER PARAGRAPH
29 (2).

30 SECTION 1714-L. USE OF TAX CREDITS.

1 (A) INITIAL USE.--PRIOR TO SALE OR ASSIGNMENT OF A TAX
2 CREDIT UNDER SECTION 1716-L, A QUALIFIED TAXPAYER MUST FIRST USE
3 A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN THE
4 TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

5 (B) ELIGIBILITY.--THE TAX CREDIT MAY BE APPLIED AGAINST UP
6 TO 20% OF THE QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES
7 INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS
8 APPROVED.

9 (C) LIMIT.--A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX
10 CREDIT UNDER THIS SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER
11 TAX CREDIT PROVIDED UNDER THIS ACT.

12 SECTION 1715-L. CARRYOVER, CARRYBACK AND REFUND.

13 A TAX CREDIT CANNOT BE CARRIED BACK, CARRIED FORWARD OR BE
14 USED TO OBTAIN A REFUND.

15 SECTION 1716-L. SALE OR ASSIGNMENT.

16 (A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX
17 CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX
18 CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A
19 TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE
20 BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

21 (B) APPLICATION.--

22 (1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER
23 MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE
24 TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A
25 FORM REQUIRED BY THE DEPARTMENT.

26 (2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST
27 RECEIVE:

28 (I) A FINDING FROM THE DEPARTMENT THAT THE APPLICANT

29 HAS:

30 (A) FILED ALL REQUIRED STATE TAX REPORTS AND

1 RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

2 (B) PAID ANY BALANCE OF STATE TAX DUE AS
3 DETERMINED BY ASSESSMENT OR DETERMINATION BY THE
4 DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

5 (II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS
6 NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, A
7 CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE
8 QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX
9 CREDIT:

10 (A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A
11 PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX
12 CREDIT UNDER SECTION 1713-L(C); AND

13 (B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY
14 FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE
15 PERIOD UNDER CLAUSE (A).

16 (C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED
17 TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT.
18 SECTION 1717-L. PURCHASERS AND ASSIGNEES.

19 (A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1716-L
20 MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE
21 PURCHASE OR ASSIGNMENT IS MADE.

22 (B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER
23 OR ASSIGNEE UNDER SECTION 1716-L MAY USE AGAINST ANY ONE
24 QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE
25 QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE
26 TAXABLE YEAR.

27 (C) RESALE AND ASSIGNMENT.--

28 (1) A PURCHASER UNDER SECTION 1716-L MAY NOT SELL OR
29 ASSIGN THE PURCHASED TAX CREDIT.

30 (2) AN ASSIGNEE UNDER SECTION 1716-L MAY NOT SELL OR

1 ASSIGN THE ASSIGNED TAX CREDIT.

2 (D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1716-L
3 SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR OF THE TAX
4 CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
5 DEPARTMENT.

6 SECTION 1718-L. PASS-THROUGH ENTITY.

7 (A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
8 CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
9 TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
10 A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS
11 IN PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME
12 TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE ENTITLED.

13 (B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
14 (A) MAY NOT BE CLAIMED BY:

15 (1) THE PASS-THROUGH ENTITY; AND

16 (2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH
17 ENTITY.

18 (C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE
19 UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX
20 LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES
21 FOR THE TAXABLE YEAR.

22 (D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
23 TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

24 (E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A)
25 MAY NOT SELL OR ASSIGN THE TAX CREDIT.

26 SECTION 1719-L. (RESERVED).

27 SECTION 1720-L. ADMINISTRATION.

28 (A) AUDITS AND ASSESSMENTS.--

29 (1) THE DEPARTMENT MAY AUDIT A TAXPAYER AWARDED A TAX
30 CREDIT TO ASCERTAIN THE VALIDITY OF THE AMOUNT AWARDED.

1 (2) THE DEPARTMENT MAY ISSUE AN ASSESSMENT AGAINST A
2 TAXPAYER FOR AN IMPROPERLY ISSUED TAX CREDIT. THE PROCEDURES,
3 COLLECTION, ENFORCEMENT AND APPEALS OF AN ASSESSMENT MADE
4 UNDER THIS SECTION SHALL BE GOVERNED BY ARTICLE II.

5 (B) GUIDELINES AND REGULATIONS.--THE DEPARTMENT SHALL
6 DEVELOP WRITTEN GUIDELINES FOR THE IMPLEMENTATION OF THIS
7 SUBARTICLE. THE GUIDELINES SHALL BE IN EFFECT UNTIL THE
8 DEPARTMENT PROMULGATES REGULATIONS FOR THE IMPLEMENTATION OF THE
9 PROVISIONS OF THIS SUBARTICLE.

10 SECTION 1721-L. REPORTS TO GENERAL ASSEMBLY.

11 (A) ANNUAL REPORT.--NO LATER THAN THE YEAR AFTER WHICH TAX
12 CREDITS ARE FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH
13 OCTOBER 1 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT ON
14 THE TAX CREDIT PROVIDED UNDER THIS SUBARTICLE TO THE CHAIRPERSON
15 AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF THE
16 SENATE, THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
17 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES, THE
18 CHAIRPERSON AND MINORITY CHAIRPERSON OF THE FINANCE COMMITTEE OF
19 THE SENATE AND THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
20 FINANCE COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE REPORT
21 MUST INCLUDE THE NAMES OF THE QUALIFIED TAXPAYERS UTILIZING THE
22 TAX CREDIT AS OF THE DATE OF THE REPORT AND THE AMOUNT OF TAX
23 CREDITS APPROVED FOR, UTILIZED BY OR SOLD OR ASSIGNED BY A
24 QUALIFIED TAXPAYER.

25 (B) RECONCILIATION REPORT.--ON MAY 1 OF THE YEAR WHICH IS 10
26 YEARS AFTER THE YEAR IN WHICH TAX CREDITS ARE FIRST AWARDED
27 UNDER THIS SUBARTICLE, THE DEPARTMENT SHALL SUBMIT TO THE
28 SECRETARY OF THE SENATE AND THE CHIEF CLERK OF THE HOUSE OF
29 REPRESENTATIVES A RECONCILIATION REPORT ON THE EFFECTIVENESS OF
30 THIS SUBARTICLE. THE REPORT SHALL INCLUDE, TO THE EXTENT

1 POSSIBLE, THE FOLLOWING INFORMATION FOR THE PRECEDING 10 YEARS:

2 (1) THE NAME AND BUSINESS ADDRESS OF ALL QUALIFIED
3 TAXPAYERS WHO HAVE BEEN GRANTED TAX CREDITS UNDER THIS
4 SUBARTICLE.

5 (2) THE AMOUNT OF TAX CREDITS GRANTED TO EACH QUALIFIED
6 TAXPAYER.

7 (3) THE TOTAL NUMBER OF JOBS CREATED BY THE QUALIFIED
8 TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY
9 COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES
10 THAT SUPPORT THE BUSINESS OPERATIONS OF THE QUALIFIED
11 TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY. THIS
12 PARAGRAPH INCLUDES THE AVERAGE ANNUAL SALARY AND HOURLY WAGE
13 INFORMATION.

14 (4) THE AMOUNT OF TAXES PAID UNDER ARTICLE II BY THE
15 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY
16 AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER
17 SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE
18 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

19 (5) THE AMOUNT OF TAXES WITHHELD FROM EMPLOYEES OR PAID
20 BY MEMBERS, PARTNERS OR SHAREHOLDERS OF THE PASS-THROUGH
21 ENTITIES UNDER ARTICLE III OF THE QUALIFIED TAXPAYER,
22 UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY COMPANIES
23 THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES THAT SUPPORT
24 THE BUSINESS OPERATIONS OF THE QUALIFIED TAXPAYER, UPSTREAM
25 COMPANY AND DOWNSTREAM COMPANY.

26 (6) THE AMOUNT OF TAXES PAID UNDER ARTICLE IV BY THE
27 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY
28 AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER
29 SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE
30 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

1 (7) THE AMOUNT OF TAXES PAID UNDER ARTICLE XI BY THE
2 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY
3 AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER
4 SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE
5 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

6 (8) THE AMOUNT OF ANY OTHER STATE OR LOCAL TAXES PAID BY
7 THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM
8 COMPANY AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR
9 OTHER SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE
10 QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

11 (9) ANY OTHER INFORMATION PERTAINING TO THE ECONOMIC
12 IMPACT OF THIS SUBARTICLE ON THIS COMMONWEALTH.

13 (C) REDUCTION.--IF THE RECONCILIATION REPORT ISSUED UNDER
14 SUBSECTION (B) REVEALS THAT THE TOTAL AMOUNT OF THE TAX CREDITS
15 GRANTED UNDER THIS SUBARTICLE EXCEEDS THE TOTAL AMOUNT OF TAX
16 REVENUE REPORTED UNDER SUBSECTION (B) (4), (5), (6), (7), (8) AND
17 (9), THE REPORT MUST INCLUDE ANY RECOMMENDATION FOR CHANGES IN
18 THE CALCULATION OF THE CREDIT.

19 (D) PUBLICATION.--THE REPORTS REQUIRED BY THIS SECTION SHALL
20 BE A PUBLIC RECORD AS DEFINED UNDER SECTION 102 OF THE ACT OF
21 FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW,
22 AND SHALL BE AVAILABLE ELECTRONICALLY ON THE PUBLICLY ACCESSIBLE
23 INTERNET WEBSITE OF THE DEPARTMENT. THE REPORTS REQUIRED UNDER
24 THIS SECTION MAY NOT CONTAIN "CONFIDENTIAL PROPRIETARY
25 INFORMATION" AS DEFINED IN SECTION 102 OF THE RIGHT-TO-KNOW LAW.
26 SECTION 1722-L. APPLICABILITY.

27 THIS SUBARTICLE SHALL APPLY TO THE PURCHASE OF DRY NATURAL
28 GAS PRODUCED IN THIS COMMONWEALTH FOR THE PERIOD BEGINNING
29 JANUARY 1, 2024, AND ENDING DECEMBER 31, 2049.

30 SECTION 1723-L. EXPIRATION.

1 THIS SUBARTICLE SHALL EXPIRE DECEMBER 31, 2050.

2 SUBARTICLE C

3 PENNSYLVANIA MILK PROCESSING

4 SECTION 1731-L. DEFINITIONS.

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

8 "GALLON." A UNITED STATES LIQUID GALLON EQUAL TO A VOLUME OF
9 231 CUBIC INCHES AND EQUAL TO 3.785411784 LITERS OR 0.13368
10 CUBIC FEET, WHERE VOLUMETRIC MEASUREMENTS MADE AT AMBIENT
11 FLOWING CONDITIONS ARE TYPICALLY ADJUSTED FOR COMPOSITION AND TO
12 STANDARD CONDITIONS USING ESTABLISHED INDUSTRY STANDARD
13 PRACTICES.

14 "MILK." THE LACTEAL SECRETION, PRACTICALLY FREE FROM
15 COLOSTRUM, OBTAINED BY THE COMPLETE MILKING OF ONE OR MORE
16 HEALTHY COWS.

17 "PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH
18 WHICH IS OWNED AND OPERATED BY A QUALIFIED TAXPAYER AND WHICH
19 UTILIZES MILK PURCHASED FROM SOURCES WITHIN THIS COMMONWEALTH
20 AND PROCESSED BY A QUALIFIED TAXPAYER AT THE PROJECT FACILITY.

21 "QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE
22 FOLLOWING:

23 (1) PURCHASES AND PROCESSES MILK PRODUCED IN THIS
24 COMMONWEALTH AT A PROJECT FACILITY IN THIS COMMONWEALTH THAT
25 HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF
26 THIS SECTION.

27 (2) HAS MADE A CAPITAL INVESTMENT OF AT LEAST
28 \$500,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND
29 PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

30 (3) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 1,200 NEW

1 JOBS AND PERMANENT JOBS .

2 (4) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY,
3 AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT
4 AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR
5 EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

6 (5) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE
7 PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID
8 AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
9 EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT
10 OF LABOR AND INDUSTRY.

11 (6) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY
12 INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH
13 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS
14 PROCUREMENT ACT.

15 SECTION 1732-L. ELIGIBILITY.

16 IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY
17 SHALL DEMONSTRATE THE FOLLOWING:

18 (1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED
19 TAXPAYER.

20 (2) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED
21 STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE
22 YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY
23 ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER
24 TIMELY APPEAL.

25 SECTION 1733-L. APPLICATION AND APPROVAL OF TAX CREDIT.

26 (A) RATE.--THE TAX CREDIT SHALL BE EQUAL TO \$0.05 PER GALLON
27 OF MILK PURCHASED AND PRODUCED FROM SOURCES EXCLUSIVELY WITHIN
28 THIS COMMONWEALTH AND PROCESSED AT THE PROJECT FACILITY BY A
29 QUALIFIED TAXPAYER.

30 (B) APPLICATION.--

1 (1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR
2 A TAX CREDIT UNDER THIS SECTION.

3 (2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT
4 BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR MILK PURCHASED AND
5 PROCESSED BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY
6 DURING THE PRIOR CALENDAR YEAR.

7 (3) THE APPLICATION MUST BE ON THE FORM REQUIRED BY THE
8 DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

9 (I) INFORMATION REQUIRED BY THE DEPARTMENT TO
10 DOCUMENT THE AMOUNT OF MILK PURCHASED AND PROCESSED AT
11 THE PROJECT FACILITY;

12 (II) INFORMATION REQUIRED BY THE DEPARTMENT TO
13 VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

14 (III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
15 APPROPRIATE.

16 (C) REVIEW AND APPROVAL.--

17 (1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND
18 SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

19 (2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
20 CERTIFICATE STATING THE AMOUNT OF TAX CREDIT GRANTED FOR MILK
21 PURCHASED AND PROCESSED AT THE PROJECT FACILITY IN THE PRIOR
22 CALENDAR YEAR.

23 (D) AVAILABILITY OF TAX CREDITS.--

24 (1) EACH FISCAL YEAR, \$15,000,000 IN TAX CREDITS SHALL
25 BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS
26 SUBARTICLE.

27 (2) THE DEPARTMENT SHALL ISSUE UP TO \$15,000,000 IN TAX
28 CREDITS IN A FISCAL YEAR TO THE QUALIFIED TAXPAYER WHICH
29 FIRST MEETS THE QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER
30 THIS SUBARTICLE.

1 (3) AN AMOUNT UNDER PARAGRAPH (1) WHICH REMAINS
2 UNALLOCATED UNDER PARAGRAPH (2) SHALL BE ISSUED TO THE
3 QUALIFIED TAXPAYER WHICH NEXT MEETS THE QUALIFICATIONS TO
4 RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

5 (4) THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS AWARDED TO
6 A QUALIFIED TAXPAYER UNDER THIS SUBARTICLE MAY NOT EXCEED 25%
7 OF THE CAPITAL INVESTMENT MADE TO CONSTRUCT A PROJECT
8 FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
9 COMMONWEALTH.

10 SECTION 1734-L. USE OF TAX CREDITS.

11 (A) INITIAL USE.--PRIOR TO SALE OR ASSIGNMENT OF A TAX
12 CREDIT UNDER SECTION 1736-L, A QUALIFIED TAXPAYER MUST FIRST USE
13 A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN THE
14 TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

15 (B) ELIGIBILITY.--THE TAX CREDIT MAY BE APPLIED AGAINST UP
16 TO 20% OF A QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES
17 INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS
18 APPROVED.

19 (C) LIMIT.--A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX
20 CREDIT UNDER THIS SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER
21 TAX CREDIT PROVIDED UNDER THIS ACT OR A TAX BENEFIT AS DEFINED
22 IN SECTION 1701-A.1.

23 SECTION 1735-L. CARRYOVER, CARRYBACK AND REFUND.

24 A TAX CREDIT CANNOT BE CARRIED BACK, CARRIED FORWARD OR BE
25 USED TO OBTAIN A REFUND.

26 SECTION 1736-L. SALE OR ASSIGNMENT.

27 (A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX
28 CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX
29 CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A
30 TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE

1 BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

2 (B) APPLICATION.--

3 (1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER
4 MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE
5 TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A
6 FORM REQUIRED BY THE DEPARTMENT.

7 (2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST
8 RECEIVE:

9 (I) A FINDING FROM THE DEPARTMENT THAT THE APPLICANT
10 HAS:

11 (A) FILED ALL REQUIRED STATE TAX REPORTS AND
12 RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

13 (B) PAID ANY BALANCE OF STATE TAX DUE AS
14 DETERMINED BY ASSESSMENT OR DETERMINATION BY THE
15 DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

16 (II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS
17 NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, A
18 CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE
19 QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX
20 CREDIT:

21 (A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A
22 PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX
23 CREDIT UNDER SECTION 1733-L(C); AND

24 (B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY
25 FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE
26 PERIOD UNDER CLAUSE (A).

27 (C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED
28 TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT.
29 SECTION 1737-L. PURCHASERS AND ASSIGNEES.

30 (A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1736-L

1 MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE
2 PURCHASE OR ASSIGNMENT IS MADE.

3 (B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER
4 OR ASSIGNEE UNDER SECTION 1736-L MAY USE AGAINST ANY ONE
5 QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE
6 QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE
7 TAXABLE YEAR.

8 (C) RESALE AND ASSIGNMENT.--

9 (1) A PURCHASER UNDER SECTION 1736-L MAY NOT SELL OR
10 ASSIGN THE PURCHASED TAX CREDIT.

11 (2) AN ASSIGNEE UNDER SECTION 1736-L MAY NOT SELL OR
12 ASSIGN THE ASSIGNED TAX CREDIT.

13 (D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1736-L
14 SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR OF THE TAX
15 CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
16 DEPARTMENT.
17 SECTION 1738-L. PASS-THROUGH ENTITY.

18 (A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
19 CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
20 TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
21 A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS
22 IN PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME
23 TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE ENTITLED.

24 (B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
25 (A) MAY NOT BE CLAIMED BY:

26 (1) THE PASS-THROUGH ENTITY; AND

27 (2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH
28 ENTITY.

29 (C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE
30 UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX

1 LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES
2 FOR THE TAXABLE YEAR.

3 (D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
4 TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

5 (E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A)
6 MAY NOT SELL OR ASSIGN THE TAX CREDIT.

7 SECTION 1739-L. (RESERVED).

8 SECTION 1740-L. GUIDELINES AND REGULATIONS.

9 THE DEPARTMENT SHALL DEVELOP WRITTEN GUIDELINES FOR THE
10 IMPLEMENTATION OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN
11 EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE
12 IMPLEMENTATION OF THE PROVISIONS OF THIS SUBARTICLE.

13 SECTION 1741-L. REPORT TO GENERAL ASSEMBLY.

14 (A) REPORT.--

15 (1) NO LATER THAN THE YEAR AFTER WHICH TAX CREDITS ARE
16 FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH OCTOBER 1
17 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE
18 GENERAL ASSEMBLY SUMMARIZING THE EFFECTIVENESS OF THE TAX
19 CREDIT. THE REPORT SHALL INCLUDE THE NAMES OF ALL QUALIFIED
20 TAXPAYERS UTILIZING THE TAX CREDIT AS OF THE DATE OF THE
21 REPORT AND THE AMOUNT OF TAX CREDITS APPROVED FOR, UTILIZED
22 BY OR SOLD OR ASSIGNED BY EACH QUALIFIED TAXPAYER. THE REPORT
23 SHALL BE SUBMITTED TO THE FOLLOWING:

24 (I) THE CHAIR AND MINORITY CHAIR OF THE AGRICULTURE
25 AND RURAL AFFAIRS COMMITTEE OF THE SENATE.

26 (II) THE CHAIR AND MINORITY CHAIR OF THE AGRICULTURE
27 AND RURAL AFFAIRS COMMITTEE OF THE HOUSE OF
28 REPRESENTATIVES.

29 (III) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
30 COMMITTEE OF THE SENATE.

1 (IV) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
2 COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

3 (2) IN ADDITION TO THE INFORMATION REQUIRED UNDER
4 PARAGRAPH (1), THE REPORT SHALL INCLUDE THE FOLLOWING
5 INFORMATION IN A MANNER THAT IS SEPARATED BY GEOGRAPHIC
6 LOCATION WITHIN THIS COMMONWEALTH:

7 (I) THE AMOUNT OF TAX CREDITS CLAIMED BY QUALIFIED
8 TAXPAYERS DURING THE FISCAL YEAR.

9 (II) THE TOTAL NUMBER OF NEW JOBS AND PERMANENT JOBS
10 CREATED BY QUALIFIED TAXPAYERS DURING THE FISCAL YEAR,
11 INCLUDING THE DURATION OF THE JOBS.

12 (B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING
13 FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE
14 REPORT UNDER SUBSECTION (A) SHALL BE PUBLIC INFORMATION, AND ALL
15 REPORT INFORMATION SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY
16 ACCESSIBLE INTERNET WEBSITE.
17 SECTION 1742-L. APPLICABILITY.

18 (A) DURATION.--THE TAX CREDIT UNDER THIS SUBARTICLE SHALL
19 APPLY TO THE PURCHASE AND PROCESSING OF MILK PRODUCED IN THIS
20 COMMONWEALTH FOR A PERIOD OF EIGHT YEARS FROM THE DATE THE FIRST
21 PROJECT FACILITY IS PLACED INTO SERVICE.

22 (B) LIMITATION.--THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS
23 AWARDED BY THE DEPARTMENT UNDER THIS SUBARTICLE MAY NOT EXCEED
24 \$120,000,000.]

25 SECTION 2. ARTICLE XVII-L OF THE ACT IS AMENDED BY ADDING
26 SUBARTICLES TO READ:

27 SUBARTICLE B.1

28 RELIABLE ENERGY INVESTMENT TAX CREDIT

29 SECTION 1711.1-L. DEFINITIONS.

30 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE

1 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
2 CONTEXT CLEARLY INDICATES OTHERWISE:

3 "AFFILIATE." AN ENTITY OR DISREGARDED ENTITY FOR FEDERAL
4 INCOME TAX PURPOSES AS DEFINED IN 26 CFR 1.1502-77(B)(2) AND (3)
5 (III) (RELATING TO AGENT FOR THE GROUP), THAT IS INCLUDED IN THE
6 FILING OF A FEDERAL CONSOLIDATED INCOME TAX RETURN OF AN
7 AFFILIATED GROUP AS THE TERM IS DEFINED IN 26 U.S.C. § 1504(A)
8 (1) (RELATING TO DEFINITIONS).

9 "CAPITAL INVESTMENT." THE AMOUNT OF MONEY SPENT AND RECORDED
10 IN CAPITAL ACCOUNTS BY A TAXPAYER IN THE DEVELOPMENT, RESTART,
11 EXPANSION OR MODIFICATION OF A RELIABLE ENERGY PROJECT FACILITY,
12 INCLUDING DIRECT AND INDIRECT COSTS, UP TO THE COMMERCIAL
13 OPERATION DATE OF THE RELIABLE CLEAN ENERGY PROJECT FACILITY, AS
14 REFLECTED IN THE TAXPAYER'S BOOKS OF ACCOUNT CONSISTENT WITH
15 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. THE TERM SHALL NOT
16 INCLUDE MONEY SPENT AFTER A RELIABLE CLEAN ENERGY PROJECT
17 FACILITY ACHIEVES COMMERCIAL OPERATION.

18 "CLEAN ENERGY." ELECTRIC ENERGY GENERATION THAT EMITS CARBON
19 DIOXIDE EMISSIONS OF LESS THAN 100 POUNDS PER MEGAWATT-HOUR.

20 "CLEAN ENERGY EMISSIONS THRESHOLD." ONE HUNDRED POUNDS OF
21 CARBON DIOXIDE PER MEGAWATT-HOUR OF ELECTRICITY GENERATED.

22 "COMMERCIAL OPERATION." THE CONDITION OF A RELIABLE ENERGY
23 PROJECT FACILITY WHEN THE FACILITY HAS SATISFIED APPLICABLE
24 TESTING AND IS GENERATING ELECTRIC POWER TO EARN REVENUE ON A
25 REASONABLY CONTINUOUS BASIS.

26 "COMMERCIAL OPERATION DATE." THE DATE ON WHICH COMMERCIAL
27 OPERATION OF A RELIABLE ENERGY PROJECT FACILITY COMMENCES.

28 "COMMISSION." THE PENNSYLVANIA PUBLIC UTILITY COMMISSION OR
29 A SUCCESSOR AGENCY.

30 "COMPANY." A CORPORATION, PARTNERSHIP, LIMITED LIABILITY

1 COMPANY, LIMITED LIABILITY PARTNERSHIP, BUSINESS TRUST,
2 UNINCORPORATED JOINT VENTURE OR OTHER BUSINESS ENTITY DOING
3 BUSINESS WITHIN THIS COMMONWEALTH.

4 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

5 "ELECTRIC DISTRIBUTION COMPANY." AS DEFINED IN 66 PA.C.S. §
6 2803 (RELATING TO DEFINITIONS).

7 "FULL-TIME EQUIVALENT JOB." A UNIT OF MEASUREMENT THAT
8 REPRESENTS THE NUMBER OF FULL-TIME HOURS A COMPANY'S EMPLOYEES
9 WORK DETERMINED AS THE QUOTIENT OBTAINED BY DIVIDING THE TOTAL
10 NUMBER OF HOURS FOR WHICH EMPLOYEES WERE COMPENSATED FOR
11 EMPLOYMENT OVER THE PRECEDING 12-MONTH PERIOD BY 2,080.

12 "MAXIMUM FACILITY OUTPUT." THE MAXIMUM NET ELECTRICAL POWER
13 OUTPUT IN MEGAWATTS, AFTER SUPPLY OF ANY PARASITIC OR HOST
14 FACILITY LOADS, THAT A RELIABLE ENERGY PROJECT FACILITY IS
15 EXPECTED TO PRODUCE. FOR AN EXPANSION OR MODIFICATION OF AN
16 EXISTING FACILITY, ONLY THE INCREMENTAL CLEAN ENERGY OUTPUT THAT
17 RESULTS FROM THE EXPANSION OR MODIFICATION SHALL BE CONSIDERED.
18 THE TERM DOES NOT INCLUDE NOMINAL ELECTRICAL POWER OUTPUT.

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

20 (1) A PARTNERSHIP AS DEFINED IN SECTION 301(N.0).

21 (2) A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION
22 301(N.1).

23 (3) AN UNINCORPORATED ENTITY SUBJECT TO SECTION 307.21.

24 "PERMANENT JOB." A FULL-TIME EQUIVALENT JOB TO SUPPORT THE
25 ONGOING COMMERCIAL OPERATION OF A RELIABLE ENERGY PROJECT
26 FACILITY.

27 "PROJECT INDEX PRICE." THE AVERAGE OF THE DAY-AHEAD
28 LOCATIONAL MARGINAL PRICES, AS DETERMINED BY PJM
29 INTERCONNECTION, LLC, AT THE PJM PRICING NODE NEAREST TO THE
30 RELIABLE ENERGY PROJECT FACILITY FOR EACH HOUR OF THE THREE

1 YEARS PRIOR TO THE COMMERCIAL OPERATION DATE.

2 "QUALIFIED RELIABLE ENERGY TAX CREDIT." A TAX CREDIT GRANTED
3 UNDER THIS ARTICLE.

4 "QUALIFIED RELIABLE ENERGY TAX CREDIT RATE." ONE HUNDRED
5 PERCENT, UNLESS THE PROJECT INDEX PRICE IS GREATER THAN \$65 PER
6 MEGAWATT-HOUR, IN WHICH CASE THE QUALIFIED RELIABLE ENERGY TAX
7 CREDIT RATE SHALL BE REDUCED BY 1.5% FOR EACH \$1 PER MEGAWATT-
8 HOUR THAT THE PROJECT INDEX PRICE IS GREATER THAN \$65 PER
9 MEGAWATT-HOUR, TO A MINIMUM OF TEN PERCENT.

10 "QUALIFIED RELIABLE ENERGY TAXPAYER." THE FOLLOWING APPLY:

11 (1) A COMPANY THAT:

12 (I) HAS MADE A CAPITAL INVESTMENT TO CONSTRUCT OR
13 RESTARTS A RELIABLE ENERGY PROJECT FACILITY;

14 (II) OWNS AND OPERATES A RELIABLE ENERGY PROJECT
15 FACILITY; AND

16 (III) OTHERWISE SATISFIES THE REQUIREMENTS OF THIS
17 ARTICLE.

18 (2) THE TERM INCLUDES ALL AFFILIATES OF THE COMPANY.

19 "QUALIFIED TAX LIABILITY." THE LIABILITY OF THE QUALIFIED
20 RELIABLE ENERGY TAXPAYER AND AFFILIATES FOR TAXES IMPOSED UNDER
21 ARTICLES III, IV, VII, VIII, IX, XI AND XV. THE TERM DOES NOT
22 INCLUDE TAX WITHHELD UNDER SECTION 316.1.

23 "RELIABLE ENERGY." A RELIABLE ENERGY PROJECT FACILITY
24 PRODUCES RELIABLE ENERGY IF THE FACILITY IS PROJECTED TO
25 GENERATE AND DELIVER TO THE DISTRIBUTION SYSTEM OF AN ELECTRIC
26 DISTRIBUTION COMPANY OR TO THE TRANSMISSION SYSTEM OPERATED BY A
27 REGIONAL TRANSMISSION ORGANIZATION AN AMOUNT OF CLEAN ENERGY IN
28 EACH FULL OPERATING YEAR THAT IS GREATER THAN THE PRODUCT OF 70%
29 OF ITS MAXIMUM FACILITY OUTPUT, MULTIPLIED BY 8,760 HOURS.

30 "RELIABLE ENERGY PROJECT FACILITY." A NEW ELECTRIC

1 GENERATING FACILITY OR AN EXPANSION OR MODIFICATION OF AN
2 ELECTRIC GENERATING FACILITY LOCATED IN THIS COMMONWEALTH THAT:
3 (1) IS OWNED BY A QUALIFIED RELIABLE ENERGY TAXPAYER.
4 (2) REQUIRED A CAPITAL INVESTMENT OF AT LEAST
5 \$250,000,000 TO PLACE INTO COMMERCIAL OPERATION.
6 (3) REQUIRED AT LEAST 1,000,000 WORK HOURS TO PLACE INTO
7 COMMERCIAL OPERATION.
8 (4) PRODUCES RELIABLE ENERGY.
9 (5) HAS A MAXIMUM FACILITY OUTPUT OF AT LEAST 100
10 MEGAWATTS, OR FOR AN EXPANSION OR MODIFICATION OF AN ELECTRIC
11 GENERATING FACILITY LOCATED IN THIS COMMONWEALTH, AN
12 ADDITIONAL MAXIMUM FACILITY OUTPUT OF AT LEAST 100 MEGAWATTS.
13 (6) DELIVERS THE ELECTRICITY IT GENERATES TO A
14 DISTRIBUTION SYSTEM OF AN ELECTRIC DISTRIBUTION COMPANY OR A
15 TRANSMISSION SYSTEM OPERATED BY A REGIONAL TRANSMISSION
16 ORGANIZATION.
17 "WORK HOUR." ONE HOUR OF COMPENSATION DURING THE
18 CONSTRUCTION OR RESTARTING OF A RELIABLE ENERGY PROJECT
19 FACILITY.
20 SECTION 1712.1-L. AMOUNT, CLAIMING AND AUDIT OF QUALIFIED
21 RELIABLE ENERGY TAX CREDIT.
22 (A) AMOUNT OF QUALIFIED RELIABLE ENERGY TAX CREDITS.--
23 (1) QUALIFIED RELIABLE ENERGY TAX CREDITS SHALL BE MADE
24 AVAILABLE IN ACCORDANCE WITH THIS SUBARTICLE.
25 (2) A QUALIFIED RELIABLE ENERGY TAXPAYER SHALL RECEIVE
26 QUALIFIED RELIABLE ENERGY TAX CREDITS EQUAL TO THE PRODUCT OF
27 THE QUALIFIED RELIABLE ENERGY TAX CREDIT RATE MULTIPLIED BY
28 \$300,000 PER NEW OR ADDITIONAL MEGAWATT OF MAXIMUM FACILITY
29 OUTPUT, UP TO A MAXIMUM OF \$100,000,000.
30 (3) QUALIFIED RELIABLE ENERGY TAX CREDITS SHALL CONTINUE

1 TO BE MADE AVAILABLE BY THE DEPARTMENT UNABATED ANNUALLY FROM
2 THE PERIOD BEGINNING JANUARY 1, 2025, AND ENDING DECEMBER 31,
3 2032. A RELIABLE ENERGY PROJECT FACILITY THAT HAS COMMENCED
4 CONSTRUCTION PRIOR TO DECEMBER 31, 2035, SHALL BE ELIGIBLE
5 FOR QUALIFIED RELIABLE ENERGY TAX CREDITS.

6 (B) APPLICATION.--

7 (1) AN APPLICANT FOR A QUALIFIED RELIABLE ENERGY TAX
8 CREDIT SHALL COMPLETE A FORM AS PRESCRIBED BY THE DEPARTMENT
9 THAT SHALL INCLUDE:

10 (I) A DESCRIPTION OF THE RELIABLE ENERGY PROJECT
11 FACILITY.

12 (II) VERIFICATION THAT THE TAXPAYER MADE A CAPITAL
13 INVESTMENT GREATER THAN \$100,000,000.

14 (III) AN ESTIMATE OF THE TOTAL CAPITAL INVESTMENT
15 THAT WILL BE MADE.

16 (IV) THE EXPECTED COMMERCIAL OPERATION DATE OF THE
17 RELIABLE ENERGY PROJECT FACILITY.

18 (1.1) IF THE APPLICANT DEEMS THE FORM UNDER PARAGRAPH
19 (1) TO CONTAIN CONFIDENTIAL PROPRIETARY INFORMATION, THE FORM
20 MAY BE SUBMITTED ON A CONFIDENTIAL BASIS, SHALL BE TREATED
21 AND MAINTAINED BY THE DEPARTMENT AS CONFIDENTIAL PROPRIETARY
22 INFORMATION AND IS EXEMPT FROM ACCESS UNDER THE ACT OF
23 FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW
24 LAW.

25 (2) THE DEPARTMENT SHALL REVIEW APPLICATIONS SUBMITTED
26 AND ISSUE A WRITTEN APPROVAL OR DISAPPROVAL, STATING THE
27 REASONS FOR THE DEPARTMENT'S DECISION, WITHIN 60 DAYS OF THE
28 APPLICATION'S SUBMISSION. THE DEPARTMENT'S DECISION ON THE
29 APPLICATION MAY BE APPEALED IN THE SAME MANNER AS AN
30 ASSESSMENT ISSUED UNDER SECTION 407.1.

1 (3) UPON APPROVAL OF AN APPLICATION, THE DEPARTMENT
2 SHALL ISSUE A CERTIFICATE CONFIRMING THAT THE APPLICANT IS
3 ELIGIBLE FOR A QUALIFIED RELIABLE ENERGY TAX CREDIT,
4 CONDITIONED ON COMPLETION OF A RELIABLE ENERGY PROJECT
5 FACILITY THAT BECOMES COMMERCIALY OPERATIONAL AND SATISFIES
6 THE REQUIREMENTS OF THIS SUBARTICLE. THE QUALIFIED RELIABLE
7 ENERGY TAXPAYER SHALL RETAIN TAX CREDIT ELIGIBILITY, AS
8 DETERMINED UNDER THIS SECTION, UNTIL THE QUALIFIED RELIABLE
9 ENERGY TAXPAYER HAS RECEIVED THE QUALIFIED RELIABLE ENERGY
10 TAX CREDIT.

11 (C) CLAIMING QUALIFIED RELIABLE ENERGY TAX CREDITS.--

12 (1) A QUALIFIED RELIABLE ENERGY TAXPAYER SHALL COMPLETE
13 A FORM AS PRESCRIBED BY THE DEPARTMENT VERIFYING THAT THE
14 TAXPAYER HAS MET THE REQUIREMENTS OF A QUALIFIED RELIABLE
15 ENERGY TAXPAYER AND MAY CLAIM QUALIFIED RELIABLE ENERGY TAX
16 CREDITS. THE QUALIFIED RELIABLE ENERGY TAXPAYER SHALL INCLUDE
17 ON THE FORM A CALCULATION OF THE APPLICABLE PROJECT INDEX
18 PRICE AND VERIFICATION THAT ELECTRICITY PRODUCED WAS BELOW
19 THE CLEAN ENERGY EMISSIONS THRESHOLD.

20 (2) THE QUALIFIED RELIABLE ENERGY TAXPAYER SHALL ATTACH
21 THE FORM TO THE TAX RETURN ON WHICH THE QUALIFIED RELIABLE
22 ENERGY TAXPAYER IS CLAIMING TO OFFSET A QUALIFIED TAX
23 LIABILITY WITH QUALIFIED RELIABLE ENERGY TAX CREDITS.

24 (D) AUDIT OF QUALIFIED RELIABLE ENERGY TAX CREDITS
25 CLAIMED.--

26 (1) THE DEPARTMENT SHALL HAVE THE RIGHT TO AUDIT ALL
27 QUALIFIED RELIABLE ENERGY TAX CREDITS CLAIMED.

28 (2) IF THE DEPARTMENT DENIES A QUALIFIED RELIABLE ENERGY
29 TAX CREDIT, THE DEPARTMENT SHALL ISSUE AN ASSESSMENT IN THE
30 SAME MANNER AS ISSUED UNDER SECTION 407.1. THE ASSESSMENT MAY

1 BE APPEALED IN THE SAME MANNER AS AN ASSESSMENT ISSUED UNDER
2 SECTION 407.1.

3 SECTION 1713.1-L. YEAR OF USE AND CARRYOVER.

4 (A) YEAR OF USE.--A QUALIFIED RELIABLE ENERGY TAXPAYER SHALL
5 CLAIM QUALIFIED RELIABLE ENERGY TAX CREDITS ON THE TAX RETURN
6 FILED IN THE YEAR IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE
7 RELIABLE ENERGY PROJECT FACILITY IS PLACED INTO COMMERCIAL
8 OPERATION.

9 (B) USE.--A QUALIFIED RELIABLE ENERGY TAXPAYER MAY UTILIZE
10 UP TO ONE-THIRD OF THE QUALIFIED RELIABLE ENERGY TAX CREDITS IN
11 THE TAXABLE YEAR IN WHICH THE CREDITS ARE RECEIVED AND UP TO THE
12 SAME AMOUNT IN EACH SUBSEQUENT TAXABLE YEAR.

13 (C) CARRYOVER.--A QUALIFIED RELIABLE ENERGY TAX CREDIT NOT
14 FULLY UTILIZED IN THE TAXABLE YEAR IN WHICH THE TAX CREDIT WAS
15 RECEIVED MAY BE CARRIED FORWARD FOR NOT MORE THAN 10 CONSECUTIVE
16 TAXABLE YEARS BUT SHALL NOT BE CARRIED BACK OR BE USED TO OBTAIN
17 A TAX REFUND.

18 SECTION 1714.1-L. SALE OR ASSIGNMENT.

19 (A) AUTHORIZATION REQUIRED.--

20 (1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER
21 MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE
22 TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A
23 FORM REQUIRED BY THE DEPARTMENT.

24 (2) THE DEPARTMENT SHALL APPROVE AN APPLICATION FOR THE
25 SALE OR ASSIGNMENT OF A QUALIFIED RELIABLE ENERGY TAX CREDIT
26 IF THE APPLICANT HAS FILED EACH STATE TAX REPORT AND RETURN
27 REQUIRED BY LAW FOR EACH APPLICABLE TAXABLE YEAR.

28 (B) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT OF AN
29 APPLICATION UNDER SUBSECTION (A), A QUALIFIED RELIABLE ENERGY
30 TAXPAYER THAT HOLDS A QUALIFIED RELIABLE ENERGY TAX CREDIT

1 THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX CREDIT WAS
2 RECEIVED MAY SELL OR ASSIGN THE TAX CREDIT, IN WHOLE OR IN PART,
3 IF THE SALE IS EFFECTIVE BY THE CLOSE OF THE FOLLOWING CALENDAR
4 YEAR.

5 SECTION 1715.1-L. PURCHASERS, TRANSFEREES AND ASSIGNEES.

6 (A) TIME.--A PURCHASER, TRANSFEREE OR ASSIGNEE UNDER THIS
7 SUBARTICLE SHALL CLAIM THE QUALIFIED RELIABLE ENERGY TAX CREDIT
8 NOT LATER THAN 12 MONTHS FOLLOWING THE END OF THE CALENDAR YEAR
9 IN WHICH THE PURCHASE, TRANSFER OR ASSIGNMENT IS MADE.

10 (B) AMOUNT.--THE AMOUNT OF THE QUALIFIED RELIABLE ENERGY TAX
11 CREDIT THAT A PURCHASER, TRANSFEREE OR ASSIGNEE UNDER THIS
12 SECTION MAY USE AGAINST ANY ONE QUALIFIED TAX LIABILITY MAY NOT
13 EXCEED 100% OF THE QUALIFIED TAX LIABILITY OF THE PURCHASER,
14 TRANSFEREE OR ASSIGNEE FOR THE TAXABLE YEAR.

15 (C) RESALE AND ASSIGNMENT.--

16 (1) A PURCHASER UNDER THIS SECTION MAY NOT SELL,
17 TRANSFER OR ASSIGN THE PURCHASED QUALIFIED RELIABLE ENERGY
18 TAX CREDIT.

19 (2) AN ASSIGNEE OR TRANSFEREE UNDER THIS SECTION MAY NOT
20 SELL, TRANSFER OR ASSIGN THE ASSIGNED OR TRANSFERRED
21 QUALIFIED RELIABLE ENERGY TAX CREDIT.

22 (D) NOTICE.--THE PURCHASER, TRANSFEREE OR ASSIGNEE UNDER
23 THIS SECTION SHALL NOTIFY THE DEPARTMENT OF THE SELLER,
24 TRANSFEROR OR ASSIGNOR OF THE QUALIFIED RELIABLE ENERGY TAX
25 CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
26 DEPARTMENT.

27 SECTION 1716.1-L. PASS-THROUGH ENTITY.

28 (A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED
29 QUALIFIED RELIABLE ENERGY TAX CREDIT, THE PASS-THROUGH ENTITY
30 MAY ELECT, IN WRITING, ACCORDING TO PROCEDURES ESTABLISHED BY

1 THE DEPARTMENT, TO TRANSFER ALL OR A PORTION OF THE TAX CREDIT
2 TO SHAREHOLDERS, MEMBERS OR PARTNERS IN PROPORTION TO THE SHARE
3 OF THE ENTITY'S DISTRIBUTIVE INCOME TO WHICH THE SHAREHOLDERS,
4 MEMBERS OR PARTNERS ARE ENTITLED.

5 (B) LIMITATION.--THE SAME UNUSED QUALIFIED RELIABLE ENERGY
6 TAX CREDIT UNDER SUBSECTION (A) MAY NOT BE CLAIMED BY BOTH:

7 (1) THE PASS-THROUGH ENTITY; AND

8 (2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH
9 ENTITY.

10 (C) AMOUNT.--THE AMOUNT OF THE QUALIFIED RELIABLE ENERGY TAX
11 CREDIT THAT A TRANSFEREE UNDER SUBSECTION (A) MAY USE AGAINST
12 ANY ONE QUALIFIED TAX LIABILITY MAY NOT EXCEED 100% OF THE
13 QUALIFIED TAX LIABILITIES FOR THE TAXABLE YEAR.

14 (D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
15 QUALIFIED RELIABLE ENERGY TAX CREDIT NOT LATER THAN 12 MONTHS
16 FOLLOWING THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

17 (E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A)
18 MAY SELL OR ASSIGN THE QUALIFIED RELIABLE ENERGY TAX CREDIT.

19 SECTION 1717.1-L. GUIDELINES AND REGULATIONS.

20 THE DEPARTMENT AND THE DEPARTMENT OF COMMUNITY AND ECONOMIC
21 DEVELOPMENT SHALL JOINTLY DEVELOP WRITTEN GUIDELINES FOR THE
22 IMPLEMENTATION OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN
23 EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE
24 IMPLEMENTATION OF THIS SUBARTICLE.

25 SECTION 1718.1-L. REPORTS TO GENERAL ASSEMBLY.

26 (A) ANNUAL REPORT.--NO LATER THAN THE CALENDAR YEAR AFTER
27 WHICH QUALIFIED RELIABLE ENERGY TAX CREDITS ARE FIRST AWARDED
28 UNDER THIS SUBARTICLE, AND EACH OCTOBER 1 THEREAFTER UP TO
29 OCTOBER 1, 2035, THE DEPARTMENT SHALL SUBMIT A REPORT ON THE
30 QUALIFIED RELIABLE ENERGY TAX CREDITS PROVIDED FOR UNDER THIS

1 SUBARTICLE TO THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
2 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRPERSON AND
3 MINORITY CHAIRPERSON OF THE FINANCE COMMITTEE OF THE SENATE, THE
4 CHAIRPERSON AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS
5 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE CHAIRPERSON
6 AND MINORITY CHAIRPERSON OF THE FINANCE COMMITTEE OF THE HOUSE
7 OF REPRESENTATIVES. THE REPORT SHALL INCLUDE THE NAMES OF THE
8 QUALIFIED RELIABLE ENERGY TAXPAYERS UTILIZING QUALIFIED RELIABLE
9 ENERGY TAX CREDITS AS OF THE DATE OF THE REPORT AND THE AMOUNT
10 OF TAX CREDITS APPROVED FOR, UTILIZED BY OR SOLD, TRANSFERRED OR
11 ASSIGNED BY ALL QUALIFIED RELIABLE ENERGY TAXPAYERS.

12 (B) FIVE-YEAR REPORT.--ON MAY 1, 2030, AND MAY 1, 2035, THE
13 DEPARTMENT AND THE COMMISSION SHALL JOINTLY SUBMIT TO THE
14 SECRETARY OF THE SENATE AND THE CHIEF CLERK OF THE HOUSE OF
15 REPRESENTATIVES A REPORT ON THE EFFECTIVENESS OF THIS
16 SUBARTICLE. THE REPORT SHALL INCLUDE, TO THE EXTENT POSSIBLE,
17 THE FOLLOWING INFORMATION FOR THE PRECEDING FIVE CALENDAR YEARS:

18 (1) THE AGGREGATE AMOUNT OF QUALIFIED RELIABLE ENERGY
19 TAX CREDITS GRANTED TO ALL QUALIFIED RELIABLE ENERGY
20 TAXPAYERS UP TO THE DATE OF THE REPORT.

21 (2) THE TOTAL NUMBER OF WORK HOURS AND PERMANENT JOBS
22 CREATED BY THE QUALIFIED RELIABLE ENERGY TAXPAYERS UP TO THE
23 DATE OF THE REPORT.

24 (3) THE TOTAL NUMBER OF MEGAWATT-HOURS PRODUCED BY EACH
25 RELIABLE ENERGY PROJECT FACILITY UP TO THE DATE OF THE
26 REPORT.

27 (4) THE TOTAL AMOUNT OF CAPITAL INVESTMENT MADE BY EACH
28 QUALIFIED RELIABLE ENERGY TAXPAYER UP TO THE DATE OF THE
29 REPORT.

30 (5) RECOMMENDATIONS FOR CHANGES TO THIS SUBARTICLE TO

1 PROMOTE INCREASED USE OF QUALIFIED RELIABLE ENERGY TAX
2 CREDITS.

3 (6) ANY OTHER INFORMATION PERTAINING TO THE ECONOMIC
4 IMPACT OF THIS ARTICLE ON THIS COMMONWEALTH.

5 (C) PUBLICATION.--THE REPORTS REQUIRED BY THIS SECTION SHALL
6 BE A PUBLIC RECORD AS DEFINED UNDER SECTION 102 OF THE ACT OF
7 FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW,
8 AND SHALL BE POSTED ELECTRONICALLY ON THE DEPARTMENT'S PUBLICLY
9 ACCESSIBLE INTERNET WEBSITE. THE REPORTS REQUIRED UNDER THIS
10 SECTION MAY NOT CONTAIN CONFIDENTIAL PROPRIETARY INFORMATION AS
11 DEFINED IN SECTION 102 OF THE RIGHT-TO-KNOW LAW.

12 SUBARTICLE C.1

13 PENNSYLVANIA MILK PROCESSING

14 SECTION 1731-L. DEFINITIONS.

15 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE
16 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
17 CONTEXT CLEARLY INDICATES OTHERWISE:

18 "DEPARTMENT." THE DEPARTMENT OF COMMUNITY AND ECONOMIC
19 DEVELOPMENT OF THE COMMONWEALTH.

20 "DOWNSTREAM COMPANY." A COMPANY THAT PURCHASES CLASS I,
21 CLASS II, CLASS III OR CLASS IV MILK PRODUCTS AS DEFINED IN THE
22 FEDERAL MILK MARKETING ORDER PROGRAM PRODUCED BY A QUALIFIED
23 TAXPAYER.

24 "FEDERAL MILK MARKETING ORDER PROGRAM." THE FEDERAL MILK
25 MARKETING ORDER PROGRAM ESTABLISHED UNDER 7 U.S.C. § 608C
26 (RELATING TO ORDERS) UNDER THE AGRICULTURAL MARKETING AGREEMENT
27 ACT OF 1937 (PUBLIC LAW 75-137, 50 STAT. 246).

28 "GALLON." A UNITED STATES LIQUID GALLON EQUAL TO A VOLUME OF
29 231 CUBIC INCHES AND EQUAL TO 3.785411784 LITERS OR 0.13368
30 CUBIC FEET, WHERE VOLUMETRIC MEASUREMENTS MADE AT AMBIENT

1 FLOWING CONDITIONS ARE TYPICALLY ADJUSTED FOR COMPOSITION AND TO
2 STANDARD CONDITIONS USING ESTABLISHED INDUSTRY STANDARD
3 PRACTICES.

4 "MILK." THE LACTEAL SECRETION, PRACTICALLY FREE FROM
5 COLOSTRUM, OBTAINED BY THE COMPLETE MILKING OF ONE OR MORE
6 HEALTHY COWS.

7 "ORGANIC DAIRY." THE PRODUCT OF A FARM OR PROCESSING
8 OPERATION THAT IN WHOLE OR IN PART HAS BEEN CERTIFIED AS ORGANIC
9 OR IN TRANSITION TO ORGANIC BY A THIRD PARTY ACCREDITED BY THE
10 UNITED STATES DEPARTMENT OF AGRICULTURE.

11 "PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH
12 WHICH IS OWNED AND OPERATED BY A QUALIFIED TAXPAYER AND WHICH
13 UTILIZES MILK PURCHASED FROM SOURCES WITHIN THIS COMMONWEALTH
14 AND PROCESSED BY A QUALIFIED TAXPAYER AT THE PROJECT FACILITY.

15 "QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE
16 FOLLOWING:

17 (1) PURCHASES AND PROCESSES MILK PRODUCED IN THIS
18 COMMONWEALTH INTO A CLASS I, CLASS II, CLASS III OR CLASS IV
19 MILK PRODUCT AS DEFINED BY THE FEDERAL MILK MARKETING ORDER
20 PROGRAM AT A PROJECT FACILITY IN THIS COMMONWEALTH THAT HAS
21 BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS
22 SECTION.

23 (2) HAS MADE A CAPITAL INVESTMENT OF AT LEAST
24 \$50,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND
25 PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH
26 OR HAS CREATED A MINIMUM AGGREGATE TOTAL OF 100 NEW JOBS AND
27 PERMANENT JOBS.

28 (3) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY,
29 AND TO ENCOURAGE CONTRACTORS OR SUBCONTRACTORS TO RECRUIT AND
30 EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR EMPLOYMENT

1 DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

2 (4) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE
3 PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID
4 AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
5 EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT
6 OF LABOR AND INDUSTRY.

7 (5) PERFORMS THE CONSTRUCTION WORK TO PLACE A PROJECT
8 FACILITY INTO SERVICE SUBJECT TO THE ACT OF MARCH 3, 1978
9 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS PROCUREMENT ACT.

10 SECTION 1732-L. ELIGIBILITY.

11 IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY
12 SHALL DEMONSTRATE THE FOLLOWING:

13 (1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED
14 TAXPAYER.

15 (2) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED
16 STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE
17 YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY
18 ASSESSMENT OR DETERMINATION BY THE DEPARTMENT OF REVENUE AND
19 NOT UNDER TIMELY APPEAL.

20 SECTION 1733-L. APPLICATION AND APPROVAL OF TAX CREDIT.

21 (A) RATE.--THE TAX CREDIT SHALL BE \$0.20 PER GALLON OF MILK
22 PURCHASED AND PRODUCED FROM SOURCES EXCLUSIVELY WITHIN THIS
23 COMMONWEALTH AND PROCESSED AT THE PROJECT FACILITY BY A
24 QUALIFIED TAXPAYER.

25 (A.1) ORGANIC DAIRY.--ANY QUALIFYING USE OF MILK IN WHICH AT
26 LEAST 80% ORGANIC DAIRY IS UTILIZED SHALL BE ELIGIBLE FOR AN
27 ADDITIONAL \$.10 PER GALLON OF MILK IN ADDITION TO THE AMOUNT
28 DENOMINATED UNDER SUBSECTION (A).

29 (B) APPLICATION.--

30 (1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR

1 A TAX CREDIT UNDER THIS SECTION.

2 (2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT
3 BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR MILK PURCHASED AND
4 PROCESSED BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY
5 DURING THE PRIOR CALENDAR YEAR.

6 (3) THE APPLICATION MUST BE ON THE FORM REQUIRED BY THE
7 DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

8 (I) INFORMATION REQUIRED BY THE DEPARTMENT TO
9 DOCUMENT THE AMOUNT OF MILK PURCHASED AND PROCESSED AT
10 THE PROJECT FACILITY;

11 (II) INFORMATION REQUIRED BY THE DEPARTMENT TO
12 VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

13 (III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
14 APPROPRIATE.

15 (C) REVIEW AND APPROVAL.--

16 (1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND
17 SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

18 (2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
19 CERTIFICATE STATING THE AMOUNT OF TAX CREDIT GRANTED FOR MILK
20 PURCHASED AND PROCESSED AT THE PROJECT FACILITY IN THE PRIOR
21 CALENDAR YEAR.

22 (D) AVAILABILITY OF TAX CREDITS.--

23 (1) EACH FISCAL YEAR, \$15,000,000 IN TAX CREDITS SHALL
24 BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS
25 SUBARTICLE.

26 (2) THE DEPARTMENT SHALL ISSUE UP TO \$15,000,000 IN TAX
27 CREDITS IN A FISCAL YEAR TO THE QUALIFIED TAXPAYER WHICH
28 FIRST MEETS THE QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER
29 THIS SUBARTICLE.

30 (3) AN AMOUNT UNDER PARAGRAPH (1) WHICH REMAINS

1 UNALLOCATED UNDER PARAGRAPH (2) SHALL BE ISSUED TO THE
2 QUALIFIED TAXPAYER WHICH NEXT MEETS THE QUALIFICATIONS TO
3 RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

4 (4) THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS AWARDED TO
5 A QUALIFIED TAXPAYER UNDER THIS SUBARTICLE MAY NOT EXCEED 25%
6 OF THE CAPITAL INVESTMENT MADE TO CONSTRUCT A PROJECT
7 FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
8 COMMONWEALTH.

9 SECTION 1734-L. USE OF TAX CREDITS.

10 (A) INITIAL USE.--PRIOR TO SALE OR ASSIGNMENT OF A TAX
11 CREDIT UNDER SECTION 1736-L, A QUALIFIED TAXPAYER MUST FIRST USE
12 A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN THE
13 TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

14 (B) ELIGIBILITY.--THE TAX CREDIT MAY BE APPLIED AGAINST UP
15 TO 20% OF A QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES
16 INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS
17 APPROVED.

18 (C) LIMIT.--A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX
19 CREDIT UNDER THIS SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER
20 TAX CREDIT PROVIDED UNDER THIS ACT OR A TAX BENEFIT AS DEFINED
21 IN SECTION 1701-A.1.

22 SECTION 1735-L. CARRYOVER, CARRYBACK AND REFUND.

23 A TAX CREDIT CANNOT BE CARRIED BACK, CARRIED FORWARD OR BE
24 USED TO OBTAIN A REFUND.

25 SECTION 1736-L. SALE OR ASSIGNMENT.

26 (A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX
27 CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX
28 CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A
29 TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE
30 BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

1 (B) APPLICATION.--

2 (1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER
3 MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE
4 TAX CREDIT WITH THE DEPARTMENT OF REVENUE. THE APPLICATION
5 MUST BE ON A FORM REQUIRED BY THE DEPARTMENT OF REVENUE.

6 (2) TO APPROVE AN APPLICATION, THE DEPARTMENT OF REVENUE
7 MUST:

8 (I) FIND THAT THE APPLICANT HAS:

9 (A) FILED ALL REQUIRED STATE TAX REPORTS AND
10 RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

11 (B) PAID ANY BALANCE OF STATE TAX DUE AS
12 DETERMINED BY ASSESSMENT OR DETERMINATION BY THE
13 DEPARTMENT OF REVENUE AND NOT UNDER TIMELY APPEAL;
14 AND

15 (II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS
16 NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, RECEIVE A
17 CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE
18 QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX
19 CREDIT:

20 (A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A
21 PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX
22 CREDIT UNDER SECTION 1733-L(C); AND

23 (B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY
24 FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE
25 PERIOD UNDER CLAUSE (A).

26 (C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT OF REVENUE, A
27 QUALIFIED TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A
28 TAX CREDIT.

29 SECTION 1737-L. PURCHASERS AND ASSIGNEES.

30 (A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1736-L

1 MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE
2 PURCHASE OR ASSIGNMENT IS MADE.

3 (B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER
4 OR ASSIGNEE UNDER SECTION 1736-L MAY USE AGAINST ANY ONE
5 QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE
6 QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE
7 TAXABLE YEAR.

8 (C) RESALE AND ASSIGNMENT.--

9 (1) A PURCHASER UNDER SECTION 1736-L MAY NOT SELL OR
10 ASSIGN THE PURCHASED TAX CREDIT.

11 (2) AN ASSIGNEE UNDER SECTION 1736-L MAY NOT SELL OR
12 ASSIGN THE ASSIGNED TAX CREDIT.

13 (D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1736-L
14 SHALL NOTIFY THE DEPARTMENT OF REVENUE OF THE SELLER OR ASSIGNOR
15 OF THE TAX CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
16 DEPARTMENT OF REVENUE.
17 SECTION 1738-L. PASS-THROUGH ENTITY.

18 (A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
19 CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
20 TO PROCEDURES ESTABLISHED BY THE DEPARTMENT OF REVENUE, TO
21 TRANSFER ALL OR A PORTION OF THE TAX CREDIT TO SHAREHOLDERS,
22 MEMBERS OR PARTNERS IN PROPORTION TO THE SHARE OF THE ENTITY'S
23 DISTRIBUTIVE INCOME TO WHICH THE SHAREHOLDERS, MEMBERS OR
24 PARTNERS ARE ENTITLED.

25 (B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
26 (A) MAY NOT BE CLAIMED BY:

27 (1) THE PASS-THROUGH ENTITY; AND

28 (2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH
29 ENTITY.

30 (C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE

1 UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX
2 LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES
3 FOR THE TAXABLE YEAR.

4 (D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
5 TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

6 (E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A)
7 MAY NOT SELL OR ASSIGN THE TAX CREDIT.

8 SECTION 1739-L. (RESERVED).

9 SECTION 1740-L. GUIDELINES AND REGULATIONS.

10 THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF
11 REVENUE, SHALL DEVELOP WRITTEN GUIDELINES FOR THE IMPLEMENTATION
12 OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN EFFECT UNTIL THE
13 DEPARTMENT PROMULGATES REGULATIONS FOR THE IMPLEMENTATION OF THE
14 PROVISIONS OF THIS SUBARTICLE.

15 SECTION 1741-L. REPORT TO GENERAL ASSEMBLY.

16 (A) REPORT.--

17 (1) NO LATER THAN ONE YEAR AFTER WHICH TAX CREDITS ARE
18 FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH OCTOBER 1
19 THEREAFTER, THE DEPARTMENT AND THE DEPARTMENT OF REVENUE
20 SHALL JOINTLY SUBMIT A REPORT TO THE GENERAL ASSEMBLY
21 SUMMARIZING THE EFFECTIVENESS OF THE TAX CREDIT. THE REPORT
22 SHALL INCLUDE THE NAMES OF ALL QUALIFIED TAXPAYERS UTILIZING
23 THE TAX CREDIT AS OF THE DATE OF THE REPORT AND THE AMOUNT OF
24 TAX CREDITS APPROVED FOR, UTILIZED BY OR SOLD OR ASSIGNED BY
25 EACH QUALIFIED TAXPAYER. THE REPORT SHALL BE SUBMITTED TO THE
26 FOLLOWING:

27 (I) THE CHAIR AND MINORITY CHAIR OF THE AGRICULTURE
28 AND RURAL AFFAIRS COMMITTEE OF THE SENATE.

29 (II) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
30 COMMITTEE OF THE SENATE.

1 (III) THE CHAIR AND MINORITY CHAIR OF THE
2 AGRICULTURE AND RURAL AFFAIRS COMMITTEE OF THE HOUSE OF
3 REPRESENTATIVES.

4 (IV) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
5 COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

6 (2) IN ADDITION TO THE INFORMATION REQUIRED UNDER
7 PARAGRAPH (1), THE REPORT SHALL INCLUDE THE FOLLOWING
8 INFORMATION IN A MANNER THAT IS SEPARATED BY GEOGRAPHIC
9 LOCATION WITHIN THIS COMMONWEALTH:

10 (I) THE AMOUNT OF TAX CREDITS CLAIMED BY QUALIFIED
11 TAXPAYERS DURING THE FISCAL YEAR.

12 (II) THE TOTAL NUMBER OF NEW JOBS AND PERMANENT JOBS
13 CREATED BY QUALIFIED TAXPAYERS DURING THE FISCAL YEAR,
14 INCLUDING THE DURATION OF THE JOBS.

15 (B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING
16 FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE
17 REPORT UNDER SUBSECTION (A) SHALL BE PUBLIC INFORMATION, AND ALL
18 REPORT INFORMATION SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY
19 ACCESSIBLE INTERNET WEBSITE.

20 SECTION 1742-L. APPLICABILITY.

21 (A) DURATION.--THE TAX CREDIT UNDER THIS SUBARTICLE SHALL
22 APPLY TO THE PURCHASE AND PROCESSING OF MILK PRODUCED IN THIS
23 COMMONWEALTH FOR A PERIOD OF EIGHT YEARS FROM THE DATE THE FIRST
24 PROJECT FACILITY IS PLACED INTO SERVICE.

25 (B) LIMITATION.--THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS
26 AWARDED BY THE DEPARTMENT UNDER THIS SUBARTICLE MAY NOT EXCEED
27 \$120,000,000.

28 SECTION 3. SECTIONS 1751-L, 1752-L(B), 1753-L AND 1754-L(C)
29 OF THE ACT ARE AMENDED TO READ:

30 SECTION 1751-L. DEFINITIONS.

1 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE
2 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
3 CONTEXT CLEARLY INDICATES OTHERWISE:

4 "CLEAN HYDROGEN." [HYDROGEN USED IN A PROJECT WHICH HAS BEEN
5 DETERMINED BY THE UNITED STATES DEPARTMENT OF ENERGY TO
6 DEMONSTRABLY AID ACHIEVEMENT OF THE CLEAN HYDROGEN PRODUCTION
7 STANDARD UNDER SECTION 822 OF THE ENERGY POLICY ACT OF 2005
8 (PUBLIC LAW 109-58, 11 STAT. 594) BY MITIGATING EMISSIONS ACROSS
9 THE SUPPLY CHAIN THROUGH AGGRESSIVE CARBON CAPTURE, BY MEASURES
10 TO MITIGATE FUGITIVE METHANE EMISSIONS OR BY THE USE OF CLEAN
11 ELECTRICITY OR OTHER TECHNOLOGIES OR PRACTICES APPROVED BY THE
12 UNITED STATES DEPARTMENT OF ENERGY.] HYDROGEN PRODUCED THROUGH A
13 PROCESS THAT RESULTS IN A LIFE CYCLE GREENHOUSE GAS EMISSIONS
14 RATE OF LESS THAN 4 KILOGRAMS OF CO₂E PER KILOGRAM OF HYDROGEN.

15 "PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH
16 WHICH IS OWNED BY A QUALIFIED TAXPAYER [WHICH IS PART OF A
17 REGIONAL CLEAN HYDROGEN HUB DESIGNATED BY THE UNITED STATES
18 DEPARTMENT OF ENERGY AUTHORIZED UNDER SECTION 813 OF THE ENERGY
19 POLICY ACT OF 2005].

20 "QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE
21 FOLLOWING:

22 (1) OWNS AND OPERATES A PROJECT FACILITY [LOCATED WITHIN
23 A REGIONAL CLEAN HYDROGEN HUB DESIGNATED BY THE UNITED STATES
24 DEPARTMENT OF ENERGY AUTHORIZED UNDER SECTION 813 OF THE
25 ENERGY POLICY ACT OF 2005] IN THIS COMMONWEALTH.

26 [(2) HAS ENTERED INTO A COMMITMENT LETTER UNDER SECTION
27 1752-L(B) TO PURCHASE CLEAN HYDROGEN FROM A REGIONAL CLEAN
28 HYDROGEN HUB WITHIN THIS COMMONWEALTH FOR USE IN
29 MANUFACTURING AT A PROJECT FACILITY IN THIS COMMONWEALTH
30 WHICH HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE

1 DATE OF THIS SECTION.]

2 (2.1) HAS ENTERED INTO A COMMITMENT LETTER UNDER SECTION
3 1752-L(B) TO PURCHASE CLEAN HYDROGEN FOR USE IN
4 MANUFACTURING, AVIATION FUEL PRODUCTION, HEAT OR ENERGY
5 GENERATION OR TRANSPORTATION AND LOGISTICS AT A PROJECT
6 FACILITY IN THIS COMMONWEALTH WHICH HAS BEEN PLACED IN
7 SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH.

8 (3) HAS MADE A CAPITAL INVESTMENT OF AT LEAST
9 [\$500,000,000] \$100,000,000 IN ORDER TO CONSTRUCT THE PROJECT
10 FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
11 COMMONWEALTH.

12 (4) HAS CREATED A MINIMUM AGGREGATE TOTAL OF [1,200] 200
13 NEW JOBS AND PERMANENT JOBS.

14 (5) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY,
15 AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT
16 AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR
17 EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

18 (6) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE
19 PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID
20 AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
21 EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT
22 OF LABOR AND INDUSTRY.

23 (7) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY
24 INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH
25 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS
26 PROCUREMENT ACT.

27 SECTION 1752-L. ELIGIBILITY.

28 * * *

29 (B) COMMITMENT LETTER.--A COMPANY THAT APPLIES FOR AND
30 RECEIVES A TAX CREDIT UNDER THIS SUBARTICLE SHALL ENTER INTO A

1 COMMITMENT LETTER WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC
2 DEVELOPMENT TO PRESCRIBE THE DATE BY WHICH THE PROJECT FACILITY
3 WILL BEGIN TO PURCHASE CLEAN HYDROGEN [FROM SOURCES WITHIN THE
4 REGIONAL CLEAN HYDROGEN HUB IN THIS COMMONWEALTH FOR USE IN
5 MANUFACTURING AT THE PROJECT FACILITY.] FOR USE IN
6 MANUFACTURING, AVIATION FUEL PRODUCTION, HEAT AND ENERGY
7 GENERATION OR TRANSPORTATION AND LOGISTICS AT THE PROJECT
8 FACILITY FROM SOURCES WITHIN THIS COMMONWEALTH.

9 SECTION 1753-L. APPLICATION AND APPROVAL OF TAX CREDIT.

10 (A) RATE.--[THE TAX CREDIT SHALL BE EQUAL TO ANY ONE OR MORE
11 OF THE FOLLOWING:

12 (1) \$0.81 PER KILOGRAM OF CLEAN HYDROGEN PURCHASED FROM
13 A REGIONAL CLEAN HYDROGEN HUB WITHIN THIS COMMONWEALTH AND
14 USED IN MANUFACTURING AT THE PROJECT FACILITY BY A QUALIFIED
15 TAXPAYER.

16 (2) \$0.47 PER UNIT OF NATURAL GAS THAT IS PURCHASED AND
17 USED IN MANUFACTURING AT THE PROJECT FACILITY BY A QUALIFIED
18 TAXPAYER.] THE TAX CREDIT SHALL BE EQUAL TO THE FOLLOWING PER
19 KILOGRAM OF CLEAN HYDROGEN PURCHASED FOR USE IN
20 MANUFACTURING, AVIATION FUEL PRODUCTION, HEAT AND ENERGY
21 GENERATION OR TRANSPORTATION AND LOGISTICS AT THE PROJECT
22 FACILITY BY THE QUALIFIED TAXPAYER:

<u>CARBON INTENSITY</u>	<u>BASE CREDIT PER KG</u>
<u>(KG OF CO2E / KG H2)</u>	
<u>2.50KG TO 4.00KG</u>	<u>\$0.16</u>
<u>1.50KG TO 2.49KG</u>	<u>\$0.20</u>
<u>0.45KG TO 1.49KG</u>	<u>\$0.27</u>
<u>LESS THAN 0.45KG</u>	<u>\$0.81</u>

29 (B) APPLICATION.--

30 (1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR

1 A TAX CREDIT UNDER THIS SECTION.

2 (2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT
3 BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR CLEAN HYDROGEN [OR
4 NATURAL GAS PURCHASED AND USED IN MANUFACTURING BY THE
5 QUALIFIED TAXPAYER AT THE PROJECT FACILITY DURING THE PRIOR
6 CALENDAR YEAR.] PURCHASED AND USED IN MANUFACTURING, AVIATION
7 FUEL PRODUCTION, HEAT AND ENERGY GENERATION OR TRANSPORTATION
8 AND LOGISTICS AT THE PROJECT FACILITY DURING THE PRIOR
9 CALENDAR YEAR.

10 (3) THE APPLICATION MUST BE ON A FORM REQUIRED BY THE
11 DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

12 [(I) INFORMATION REQUIRED BY THE DEPARTMENT TO
13 DOCUMENT THE AMOUNT OF NATURAL GAS PURCHASED AND USED IN
14 MANUFACTURING AT THE PROJECT FACILITY;]

15 (II) INFORMATION REQUIRED BY THE DEPARTMENT TO
16 DOCUMENT THE AMOUNT OF CLEAN HYDROGEN TO BE PURCHASED
17 FROM SOURCES WITHIN THE REGIONAL CLEAN HYDROGEN HUB IN
18 THIS COMMONWEALTH AND USED IN MANUFACTURING [AT THE
19 PROJECT FACILITY;], AVIATION FUEL PRODUCTION, HEAT AND
20 ENERGY GENERATION OR TRANSPORTATION AND LOGISTICS AT THE
21 PROJECT FACILITY FROM SOURCES LOCATED WITHIN THIS
22 COMMONWEALTH;

23 (III) INFORMATION REQUIRED BY THE DEPARTMENT TO
24 VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

25 (IV) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
26 APPROPRIATE.

27 (C) REVIEW AND APPROVAL.--

28 (1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND
29 SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

30 [(2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A

1 CERTIFICATE STATING THE AMOUNT OF THE TAX CREDIT GRANTED FOR
2 NATURAL GAS PURCHASED AND USED IN MANUFACTURING AT THE
3 PROJECT FACILITY IN THE PRIOR CALENDAR YEAR.]

4 (3) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
5 CERTIFICATE STATING THE AMOUNT OF THE TAX CREDIT GRANTED FOR
6 CLEAN HYDROGEN PURCHASED [FROM SOURCES LOCATED IN A REGIONAL
7 CLEAN HYDROGEN HUB LOCATED IN THIS COMMONWEALTH AND USED IN
8 MANUFACTURING AT THE PROJECT FACILITY IN THE PRIOR CALENDAR
9 YEAR.] FOR USE IN MANUFACTURING, AVIATION FUEL PRODUCTION,
10 HEAT AND ENERGY GENERATION OR TRANSPORTATION AND LOGISTICS AT
11 THE PROJECT FACILITY IN THE PRIOR CALENDAR YEAR FROM SOURCES
12 LOCATED WITHIN THIS COMMONWEALTH.

13 (D) AVAILABILITY OF TAX CREDITS.--

14 (1) EACH FISCAL YEAR, [\$50,000,000] \$49,000,000 IN TAX
15 CREDITS SHALL BE MADE AVAILABLE TO THE DEPARTMENT IN
16 ACCORDANCE WITH THIS SUBARTICLE.

17 (2) THE DEPARTMENT SHALL ISSUE UP TO [\$50,000,000 IN A
18 FISCAL YEAR TO THE QUALIFIED TAXPAYER WHICH FIRST MEETS THE
19 QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER THIS
20 SUBARTICLE.] \$7,000,000 TO EACH OF SEVEN QUALIFIED TAXPAYERS
21 WHICH FIRST MEET THE QUALIFICATIONS TO RECEIVE A TAX CREDIT
22 UNDER THIS SUBARTICLE AND WHICH ARE LOCATED IN THE REGIONALLY
23 DIVERSE AREAS OF THE COMMONWEALTH AS FOLLOWS:

24 (I) TWO QUALIFIED TAXPAYERS WHICH ARE LOCATED EAST
25 OF THE SUSQUEHANNA RIVER;

26 (II) TWO QUALIFIED TAXPAYERS WHICH ARE LOCATED WEST
27 OF THE SUSQUEHANNA RIVER;

28 (III) ONE QUALIFIED TAXPAYER WHICH IS LOCATED IN A
29 COUNTY OF THE FIFTH, SIXTH, SEVENTH OR EIGHTH CLASS; AND

30 (IV) TWO QUALIFIED TAXPAYERS WHICH MAY BE LOCATED

1 ANYWHERE IN THIS COMMONWEALTH.

2 (3) AN AMOUNT UNDER PARAGRAPH (1) WHICH REMAINS
3 UNALLOCATED UNDER PARAGRAPH (2) SHALL BE ISSUED TO THE
4 QUALIFIED TAXPAYER WHICH NEXT MEETS THE QUALIFICATIONS TO
5 RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

6 (4) THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS AWARDED TO
7 A QUALIFIED TAXPAYER UNDER THIS SUBARTICLE MAY NOT EXCEED 50%
8 OF THE CAPITAL INVESTMENT MADE TO CONSTRUCT A PROJECT
9 FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
10 COMMONWEALTH.

11 SECTION 1754-L. USE OF TAX CREDITS.

12 * * *

13 (C) LIMIT.--A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX
14 CREDIT UNDER THIS SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER
15 TAX CREDIT PROVIDED UNDER THIS ACT [OR A TAX BENEFIT AS DEFINED
16 IN SECTION 1701-A.1].

17 SECTION 4. SECTION 1762-L OF THE ACT IS AMENDED TO READ:

18 SECTION 1762-L. APPLICABILITY.

19 THIS SUBARTICLE SHALL APPLY TO THE PURCHASE OF CLEAN HYDROGEN
20 FROM SOURCES LOCATED [IN A REGIONAL CLEAN HYDROGEN HUB] WITHIN
21 THIS COMMONWEALTH [OR NATURAL GAS USED IN MANUFACTURING] AT A
22 PROJECT FACILITY FOR THE PERIOD BEGINNING JANUARY 1, [2024]
23 2025, AND ENDING DECEMBER 31, [2043] 2044.

24 SECTION 5. THE DEFINITIONS OF "QUALIFIED TAXPAYER" AND
25 "SEMICONDUCTOR MANUFACTURING" IN SECTION 1771-L OF THE ACT ARE
26 AMENDED AND THE SECTION IS AMENDED BY ADDING A DEFINITION TO
27 READ:

28 SECTION 1771-L. DEFINITIONS.

29 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE
30 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE

1 CONTEXT CLEARLY INDICATES OTHERWISE:

2 * * *

3 "EARLY STAGE SEMICONDUCTOR BUSINESS." A BUSINESS WITH LESS
4 THAN \$10,000,000 IN REVENUE AND IN THE AREAS OF RESEARCH OR
5 DESIGN OF SEMICONDUCTOR MATERIALS, SEMICONDUCTOR DEVICES OR
6 SEMICONDUCTOR PACKING AND TESTING.

7 * * *

8 "QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE
9 FOLLOWING OR IS AN EARLY STAGE SEMICONDUCTOR BUSINESS:

10 (1) CONDUCTS SEMICONDUCTOR MANUFACTURING, BIOMEDICAL
11 MANUFACTURING OR BIOMEDICAL RESEARCH IN THIS COMMONWEALTH AT
12 A PROJECT FACILITY IN THIS COMMONWEALTH THAT HAS BEEN PLACED
13 IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

14 (2) HAS MADE A CAPITAL INVESTMENT OF AT LEAST
15 [\$200,000,000] \$150,000,000 IN ORDER TO CONSTRUCT THE PROJECT
16 FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
17 COMMONWEALTH.

18 (3) HAS CREATED A MINIMUM AGGREGATE TOTAL OF [800] 100
19 PERMANENT JOBS.

20 (4) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY,
21 AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT
22 AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR
23 EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

24 (5) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE
25 PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID
26 AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
27 EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT
28 OF LABOR AND INDUSTRY.

29 (6) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY
30 INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH

1 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS
2 PROCUREMENT ACT.

3 "SEMICONDUCTOR MANUFACTURING." [THE MANUFACTURE OF
4 COMPONENTS OR THE CREATION OF ADVANCED PROCESSES OR TECHNOLOGY
5 WITHIN THE SEMICONDUCTOR MANUFACTURING AND RELATED EQUIPMENT AND
6 MATERIAL SUPPLIER SECTOR.] ANY OF THE FOLLOWING WITHIN THE
7 SEMICONDUCTOR MANUFACTURING AND RELATED EQUIPMENT AND MATERIAL
8 SUPPLIER SECTOR:

9 (1) THE MANUFACTURE OF COMPONENTS.

10 (2) THE CREATION OF ADVANCED PROCESSES OR TECHNOLOGY.

11 (3) THE ADVANCED TESTING AND PACKAGING OF COMPONENTS.

12 SECTION 6. SECTION 1773-L(A) AND (D) (2) OF THE ACT ARE
13 AMENDED AND SUBSECTION (D) IS AMENDED BY ADDING A PARAGRAPH TO
14 READ:

15 SECTION 1773-L. APPLICATION AND APPROVAL OF TAX CREDIT.

16 (A) DETERMINATION OF TAX CREDIT AMOUNT.--[THE] EXCEPT AS
17 PROVIDED UNDER PARAGRAPH (3), THE ANNUAL TAX CREDIT AMOUNT MAY
18 BE DETERMINED BASED UPON ANY ONE OR MORE OF THE FOLLOWING:

19 (1) NO MORE THAN 2.5% OF THE CAPITAL INVESTMENT.

20 (2) NO MORE THAN 100% OF TAX WITHHELD FROM EMPLOYEES AND
21 PAID UNDER ARTICLE III OR \$20,000, WHICHEVER IS LESS, FOR
22 EACH PERMANENT JOB AT THE PROJECT FACILITY.

23 (3) IF THE APPLICANT IS AN EARLY-STAGE SEMICONDUCTOR
24 BUSINESS, THE APPLICANT MUST HAVE AT LEAST \$3,000,000 IN
25 RESEARCH AND DEVELOPMENT INVESTMENT DURING THE PREVIOUS YEAR.

26 * * *

27 (D) AVAILABILITY OF TAX CREDITS.--

28 * * *

29 (2) THE DEPARTMENT SHALL ISSUE [UP TO \$10,000,000] A
30 MINIMUM OF \$1,000,000 IN A FISCAL YEAR TO [THE] QUALIFIED

1 FUEL UNDER PARAGRAPH (1) IS AFFIRMATIVE LEGISLATION TO
2 PROTECT THE ENVIRONMENT.

3 SECTION 1789.11-L. DEFINITIONS.

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

7 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

8 "PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH
9 WHICH IS OWNED BY A QUALIFIED TAXPAYER WHICH MANUFACTURES
10 SUSTAINABLE AVIATION FUEL.

11 "QUALIFIED TAXPAYER." AN ENTITY THAT SATISFIES ALL OF THE
12 FOLLOWING:

13 (1) OWNS AND OPERATES A PROJECT FACILITY LOCATED WITHIN
14 THIS COMMONWEALTH;

15 (2) HAS ENTERED INTO A COMMITMENT LETTER UNDER SECTION
16 1789.12-L(B) TO PRODUCE SUSTAINABLE AVIATION FUEL AT A
17 PROJECT FACILITY IN THIS COMMONWEALTH WHICH HAS BEEN PLACED
18 IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH;

19 (3) HAS MADE A CAPITAL INVESTMENT OF AT LEAST
20 \$250,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND
21 PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH;

22 (4) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 400 NEW
23 JOBS AND PERMANENT JOBS;

24 (5) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY,
25 AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT
26 AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR
27 EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY;

28 (6) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE
29 PROJECT FACILITY OR THAT WORK COVERED BY SUBARTICLE F ARE
30 PAID AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES

1 FOR EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE
2 DEPARTMENT OF LABOR AND INDUSTRY; AND

3 (7) GUARANTEES THAT CONSTRUCTION WORK TO PLACE A PROJECT
4 FACILITY INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT
5 OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS
6 PROCUREMENT ACT.

7 "SUSTAINABLE AVIATION FUEL." LIQUID FUEL WHICH COMPLIES WITH
8 ALL OF THE FOLLOWING:

9 (1) CAN BE USED TO FUEL AN AIRCRAFT.

10 (2) IS NOT KEROSENE.

11 (3) IS NOT DERIVED FROM PALM FATTY ACID DISTILLATES OR
12 PETROLEUM, AS DEFINED UNDER ASTM D1655 OR A SUCCESSOR
13 STANDARD ADOPTED BY THE DEPARTMENT.

14 (4) MEETS THE REQUIREMENTS OF:

15 (I) ASTM INTERNATIONAL STANDARD D7566;

16 (II) THE FISCHER DROPS PROVISIONS OF ASTM
17 INTERNATIONAL STANDARD D1655, ANNEX A1; OR

18 (III) A SUCCESSOR STANDARD ADOPTED BY THE DEPARTMENT
19 IN A NOTICE PUBLISHED IN THE PENNSYLVANIA BULLETIN TO
20 SATISFY THE STANDARDS UNDER SECTION 1789.10-L(B) (1) AND
21 (3).

22 SECTION 1789.12-L. ELIGIBILITY.

23 (A) DEMONSTRATION.--IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX
24 CREDIT, AN ENTITY SHALL DEMONSTRATE THE FOLLOWING:

25 (1) THE ENTITY MEETS THE REQUIREMENTS OF A QUALIFIED
26 TAXPAYER.

27 (2) CONFIRMATION THAT THE ENTITY HAS FILED ALL REQUIRED
28 STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE
29 YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY
30 ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER

1 TIMELY APPEAL.

2 (B) COMMITMENT LETTER.--AN ENTITY THAT APPLIES FOR AND
3 RECEIVES A TAX CREDIT UNDER THIS SUBARTICLE SHALL ENTER INTO A
4 COMMITMENT LETTER WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC
5 DEVELOPMENT TO PRESCRIBE THE DATE BY WHICH THE PROJECT FACILITY
6 WILL BEGIN TO PRODUCE SUSTAINABLE AVIATION FUEL AT THE PROJECT
7 FACILITY.

8 SECTION 1789.13-L. APPLICATION AND APPROVAL OF TAX CREDIT.

9 (A) RATE.--THE TAX CREDIT SHALL BE EQUAL TO 75¢ PER GALLON
10 OF SUSTAINABLE AVIATION FUEL PRODUCED AT THE PROJECT FACILITY BY
11 A QUALIFIED TAXPAYER.

12 (B) APPLICATION.--

13 (1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR
14 A TAX CREDIT UNDER THIS SECTION.

15 (2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT
16 BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR SUSTAINABLE
17 AVIATION FUEL PRODUCED AT THE PROJECT FACILITY DURING THE
18 PRIOR CALENDAR YEAR.

19 (3) THE APPLICATION MUST BE ON A FORM REQUIRED BY THE
20 DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

21 (I) INFORMATION REQUIRED BY THE DEPARTMENT TO
22 DOCUMENT THE AMOUNT OF SUSTAINABLE AVIATION FUEL PRODUCED
23 AT THE PROJECT FACILITY;

24 (II) INFORMATION REQUIRED BY THE DEPARTMENT TO
25 VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

26 (III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
27 APPROPRIATE.

28 (C) REVIEW AND APPROVAL.--

29 (1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND
30 SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1, 2025, AND

1 EACH MAY 1 THEREAFTER.

2 (2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
3 CERTIFICATE STATING THE AMOUNT OF THE TAX CREDIT GRANTED FOR
4 SUSTAINABLE AVIATION FUEL PRODUCED AT THE PROJECT FACILITY IN
5 THE PRIOR CALENDAR YEAR.

6 (D) AVAILABILITY OF TAX CREDITS.--

7 (1) EACH FISCAL YEAR, UP TO \$15,000,000 OF TAX CREDITS
8 MADE AVAILABLE TO THE DEPARTMENT UNDER SUBARTICLE D WHICH
9 REMAIN UNALLOCATED SHALL BE MADE AVAILABLE TO THE DEPARTMENT
10 IN ACCORDANCE WITH THIS SUBARTICLE.

11 (2) THE DEPARTMENT SHALL ISSUE UP TO \$15,000,000 IN A
12 FISCAL YEAR TO THE QUALIFIED TAXPAYER WHICH FIRST MEETS THE
13 QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

14 (3) AN AMOUNT UNDER PARAGRAPH (1) WHICH REMAINS
15 UNALLOCATED UNDER PARAGRAPH (2) SHALL BE ISSUED TO THE
16 QUALIFIED TAXPAYER WHICH NEXT MEETS THE QUALIFICATIONS TO
17 RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

18 (4) THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS AWARDED TO
19 A QUALIFIED TAXPAYER UNDER THIS SUBARTICLE MAY NOT EXCEED 25%
20 OF THE CAPITAL INVESTMENT MADE TO CONSTRUCT A PROJECT
21 FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
22 COMMONWEALTH.

23 SECTION 1789.14-L. USE OF TAX CREDITS.

24 (A) INITIAL USE.--PRIOR TO SALE OR ASSIGNMENT OF A TAX
25 CREDIT UNDER SECTION 1789.16-L, A QUALIFIED TAXPAYER MUST FIRST
26 USE A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN
27 THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

28 (B) ELIGIBILITY.--THE TAX CREDIT MAY BE APPLIED AGAINST UP
29 TO 20% OF THE QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES
30 INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS

1 APPROVED.

2 SECTION 1789.15-L. CARRYOVER, CARRYBACK AND REFUND.

3 A TAX CREDIT MAY NOT BE CARRIED BACK, CARRIED FORWARD OR BE
4 USED TO OBTAIN A REFUND.

5 SECTION 1789.16-L. SALE OR ASSIGNMENT.

6 (A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX
7 CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX
8 CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A
9 TAX CREDIT IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE
10 BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

11 (B) APPLICATION.--

12 (1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER
13 MUST SUBMIT AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE
14 TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A
15 FORM REQUIRED BY THE DEPARTMENT.

16 (2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST:

17 (I) FIND THAT THE APPLICANT HAS:

18 (A) FILED ALL REQUIRED STATE TAX REPORTS AND
19 RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

20 (B) PAID ANY BALANCE OF STATE TAX DUE AS
21 DETERMINED BY ASSESSMENT OR DETERMINATION BY THE
22 DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

23 (II) (RESERVED).

24 (C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED
25 TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT.

26 SECTION 1789.17-L. PURCHASERS AND ASSIGNEES.

27 (A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1789.16-L
28 MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE
29 PURCHASE OR ASSIGNMENT IS MADE.

30 (B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER

1 OR ASSIGNEE UNDER SECTION 1789.16-L MAY USE AGAINST ANY ONE
2 QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE
3 QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE
4 TAXABLE YEAR.

5 (C) RESALE AND ASSIGNMENT.--

6 (1) A PURCHASER UNDER SECTION 1789.16-L MAY NOT SELL OR
7 ASSIGN THE PURCHASED TAX CREDIT.

8 (2) AN ASSIGNEE UNDER SECTION 1789.16-L MAY NOT SELL OR
9 ASSIGN THE ASSIGNED TAX CREDIT.

10 (D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION
11 1789.16-L SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR
12 OF THE TAX CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
13 DEPARTMENT.

14 SECTION 1789.18-L. PASS-THROUGH ENTITY.

15 (A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
16 CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
17 TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
18 A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS
19 IN PROPORTION TO THE SHARE OF THE PASS-THROUGH ENTITY'S
20 DISTRIBUTIVE INCOME TO WHICH THE SHAREHOLDERS, MEMBERS OR
21 PARTNERS ARE ENTITLED.

22 (B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
23 (A) MAY NOT BE CLAIMED BY:

24 (1) THE PASS-THROUGH ENTITY; AND

25 (2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH
26 ENTITY.

27 (C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE
28 UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX
29 LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES
30 FOR THE TAXABLE YEAR.

1 (D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
2 TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

3 (E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A)
4 MAY NOT SELL OR ASSIGN THE TAX CREDIT.

5 SECTION 1789.19-L. (RESERVED).

6 SECTION 1789.20-L. GUIDELINES AND REGULATIONS.

7 THE DEPARTMENT SHALL DEVELOP WRITTEN GUIDELINES FOR THE
8 IMPLEMENTATION OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN
9 EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE
10 IMPLEMENTATION OF THE PROVISIONS OF THIS SUBARTICLE.

11 SECTION 1789.21-L. REPORT TO GENERAL ASSEMBLY.

12 (A) REPORT.--

13 (1) NO LATER THAN THE YEAR AFTER WHICH TAX CREDITS ARE
14 FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH OCTOBER 1
15 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE
16 GENERAL ASSEMBLY SUMMARIZING THE EFFECTIVENESS OF THE TAX
17 CREDIT. THE REPORT SHALL INCLUDE THE NAMES OF ALL QUALIFIED
18 TAXPAYERS UTILIZING THE TAX CREDIT AS OF THE DATE OF THE
19 REPORT AND THE AMOUNT OF TAX CREDITS APPROVED FOR, UTILIZED
20 BY OR SOLD OR ASSIGNED BY EACH QUALIFIED TAXPAYER. THE REPORT
21 SHALL BE SUBMITTED TO ALL OF THE FOLLOWING:

22 (I) THE CHAIR AND MINORITY CHAIR OF THE
23 APPROPRIATIONS COMMITTEE OF THE SENATE.

24 (II) THE CHAIR AND MINORITY CHAIR OF THE
25 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

26 (III) THE CHAIR AND MINORITY CHAIR OF THE
27 ENVIRONMENTAL RESOURCES AND ENERGY COMMITTEE OF THE
28 SENATE.

29 (IV) THE CHAIR AND MINORITY CHAIR OF THE
30 ENVIRONMENTAL RESOURCES AND ENERGY COMMITTEE OF THE HOUSE

1 OF REPRESENTATIVES.

2 (V) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
3 COMMITTEE OF THE SENATE.

4 (VI) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
5 COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

6 (2) IN ADDITION TO THE INFORMATION REQUIRED UNDER
7 PARAGRAPH (1), THE REPORT SHALL INCLUDE THE FOLLOWING
8 INFORMATION IN A MANNER SEPARATED BY GEOGRAPHIC LOCATION
9 WITHIN THIS COMMONWEALTH:

10 (I) THE AMOUNT OF TAX CREDITS CLAIMED BY QUALIFIED
11 TAXPAYERS DURING THE FISCAL YEAR.

12 (II) THE TOTAL NUMBER OF NEW JOBS AND PERMANENT JOBS
13 CREATED BY QUALIFIED TAXPAYERS DURING THE FISCAL YEAR,
14 INCLUDING THE DURATION OF THE JOBS.

15 (B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING
16 FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE
17 REPORT UNDER SUBSECTION (A) SHALL BE PUBLIC INFORMATION, AND ALL
18 REPORT INFORMATION SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY
19 ACCESSIBLE INTERNET WEBSITE.

20 SECTION 1789.22-L. APPLICABILITY.

21 THE TAX CREDIT UNDER THIS SUBARTICLE SHALL APPLY TO THE
22 PRODUCTION OF SUSTAINABLE AVIATION FUEL AT A PROJECT FACILITY
23 FOR THE PERIOD BEGINNING JANUARY 1, 2027, AND ENDING DECEMBER
24 31, 2043.

25 SECTION 8. SECTION 1791-L OF THE ACT IS AMENDED TO READ:
26 SECTION 1791-L. DEFINITIONS.

27 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE
28 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
29 CONTEXT CLEARLY INDICATES OTHERWISE:

30 "QUALIFIED PROJECT FACILITY." ANY OF THE FOLLOWING:

- 1 (1) A PROJECT FACILITY AS DEFINED IN SECTION 1711-L.
- 2 (2) A PROJECT FACILITY AS DEFINED IN SECTION 1731-L.
- 3 (3) A PROJECT FACILITY AS DEFINED IN SECTION 1751-L.
- 4 (4) A PROJECT FACILITY AS DEFINED IN SECTION 1771-L.
- 5 (5) A PROJECT FACILITY AS DEFINED IN SECTION 1789.11-L.

6 "QUALIFIED TAX CREDIT RECIPIENT." ANY OF THE FOLLOWING WHO
7 HAVE BEEN AWARDED A TAX CREDIT:

- 8 (1) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1711-L.
- 9 (2) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1731-L.
- 10 (3) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1751-L.
- 11 (4) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1771-L.
- 12 (5) A PROJECT FACILITY AS DEFINED IN SECTION 1789.11-L.

13 SECTION 9. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.