

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 559 Session of 2015

INTRODUCED BY KAUFFMAN, TOPPER, DAVIDSON, CALTAGIRONE, RAPP, MURT, SAYLOR, GRELL, DeLUCA, GABLER AND M. K. KELLER, FEBRUARY 23, 2015

REFERRED TO COMMITTEE ON COMMERCE, FEBRUARY 23, 2015

AN ACT

1 Amending the act of October 6, 1998 (P.L.705, No.92), entitled,
 2 as amended, "An act providing for the creation of keystone
 3 opportunity zones and keystone opportunity expansion zones to
 4 foster economic opportunities in this Commonwealth, to
 5 facilitate economic development, stimulate industrial,
 6 commercial and residential improvements and prevent physical
 7 and infrastructure deterioration of geographic areas within
 8 this Commonwealth; authorizing expenditures; providing tax
 9 exemptions, tax deductions, tax abatements and tax credits;
 10 creating additional obligations of the Commonwealth and local
 11 governmental units; and prescribing powers and duties of
 12 certain State and local departments, agencies and officials,"
 13 in keystone opportunity zones, providing for keystone
 14 opportunity expansion zones for job creation.

15 The General Assembly of the Commonwealth of Pennsylvania
 16 hereby enacts as follows:

17 Section 1. The act of October 6, 1998 (P.L.705, No.92),
 18 known as the Keystone Opportunity Zone, Keystone Opportunity
 19 Expansion Zone and Keystone Opportunity Improvement Zone Act, is
 20 amended by adding a section to read:

21 Section 301.8. Keystone opportunity expansion zones for job
 22 creation.

23 (a) Establishment.--In addition to any designations under

1 section 301.1, the department may designate up to 10 additional
2 keystone opportunity expansion zones that will create new jobs
3 in accordance with this section. Each additional keystone
4 opportunity expansion zone shall:

5 (1) Not be less than 10 acres in size unless contiguous
6 to an existing zone.

7 (2) Not exceed in the aggregate a total of 400 acres.

8 (3) Be comprised of parcels that are deteriorated,
9 underutilized or unoccupied on the effective date of this
10 section.

11 (b) Authorization.--A person or business within a keystone
12 opportunity expansion zone authorized under subsection (a) shall
13 be entitled to the tax exemptions, deductions, abatements or
14 credits set forth under this act, exemptions for sales and use
15 tax under section 511(a) or 705(a), for a period of no more than
16 10 years and no less than five years. For a keystone opportunity
17 expansion zone that will create new jobs and is established
18 under subsection (a), the authorized period shall begin on July
19 1, 2015. An exemption for sales and use taxes under sections 511
20 and 705 shall commence upon designation of the zone by the
21 department.

22 (c) Application and review.--In order to receive a
23 designation under subsection (a), the department must receive an
24 application from a political subdivision or its designee no
25 later than March 1, 2016. The application must contain the
26 information required under section 302(a)(1), (2)(i) and (ix)
27 and (6). The application must include the ordinances,
28 resolutions or other required action adopted by the political
29 subdivisions in which the keystone opportunity expansion zone is
30 located. The department, in consultation with the Department of

1 Revenue, shall review the application and, if approved, issue a
2 certification of the tax exemptions, deductions, abatements or
3 credits under this act for the keystone opportunity expansion
4 zone within three months of receipt of the application. The
5 department shall act on an application for a designation under
6 section 304(a)(10) by June 30, 2016. The department may make a
7 designation under this section on a rolling basis during the
8 application period.

9 (d) Notice.--Upon designation under this section, the
10 department shall immediately notify a political subdivision
11 located within the area designated.

12 Section 2. This act shall take effect in 60 days.