

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 766 Session of 2021

INTRODUCED BY GREINER, ROTHMAN, RYAN, MILLARD, GROVE, MENTZER, DUNBAR, WARREN, ZIMMERMAN, JAMES, WHEELAND AND GILLEN, MARCH 3, 2021

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, APRIL 6, 2021

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," IN PERSONAL INCOME TAX, PROVIDING FOR COVID-19 <--
11 EMERGENCY FINANCE AND TAX PROVISION; AND in corporate net
12 income tax, further providing for reports and payment of tax
13 and for extension of time to file reports.

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

16 ~~Section 1. Sections 403(a)(1) and (e) and 405 of the act of <--~~
17 ~~March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of~~
18 ~~1971, are amended to read:~~

19 SECTION 1. THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS <--
20 THE TAX REFORM CODE OF 1971, IS AMENDED BY ADDING A SECTION TO
21 READ:

22 SECTION 330.2. COVID-19 EMERGENCY FINANCE AND TAX

1 PROVISION.-- (A) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT
2 THERE ARE CIRCUMSTANCES UNDER WHICH IT IS IMPOSSIBLE TO
3 EFFECTIVELY COMPLY WITH LAW RELATING TO STATE FINANCE OR STATE
4 TAX AND DURING SUCH CIRCUMSTANCES, IT IS NECESSARY FOR
5 COMMONWEALTH AGENCIES TO EXERCISE TEMPORARY POWERS AND DUTIES
6 PROVIDED UNDER THIS SECTION.

7 (B) (1) THIS SUBSECTION PROVIDES TEMPORARY AUTHORITY TO THE
8 DEPARTMENT TO DEAL WITH STATE TAXATION DURING THE STATE OF
9 DISASTER EMERGENCY ANNOUNCED BY THE GOVERNOR'S MARCH 6, 2020,
10 PROCLAMATION OF DISASTER EMERGENCY, AND ANY RENEWAL OF THE STATE
11 OF DISASTER EMERGENCY.

12 (2) THE DEPARTMENT SHALL DISREGARD THE PERIOD AFTER APRIL
13 14, 2021, AND BEFORE MAY 17, 2021, IN THE CALCULATION OF
14 INTEREST, A PENALTY OR AN ADDITION TO TAX FOR FAILURE TO MEET AN
15 EXTENDED DEADLINE UNDER SECTION 330.

16 (3) THIS SUBSECTION SHALL EXPIRE MAY 31, 2021.

17 (C) (1) THIS SUBSECTION PROVIDES TEMPORARY AUTHORITY TO THE
18 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO DEAL WITH
19 LOCAL TAXATION DURING THE STATE OF DISASTER EMERGENCY ANNOUNCED
20 BY THE GOVERNOR'S MARCH 6, 2020, PROCLAMATION OF DISASTER
21 EMERGENCY, AND ANY RENEWAL OF THE STATE OF DISASTER EMERGENCY.

22 (2) DURING THE STATE OF DISASTER EMERGENCY UNDER PARAGRAPH
23 (1), THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT SHALL
24 COORDINATE WITH THE GOVERNING BODIES AND LOCAL AGENCIES OF
25 POLITICAL SUBDIVISIONS TO DO ALL OF THE FOLLOWING:

26 (I) EXTEND FILING AND PAYMENT DEADLINES FOR LOCAL TAXES
27 UNDER CHAPTER 5 OF THE ACT OF DECEMBER 31, 1965, KNOWN AS THE
28 LOCAL TAX ENABLING ACT, AND RELATED STATUTORY PROVISIONS,
29 ORDINANCES AND RESOLUTIONS SO THAT THE DEADLINES COINCIDE WITH
30 THE FILING DEADLINE FOR A TAX RETURN AND PAYMENT OF SECTION 330.

1 (II) DISREGARD THE PERIOD AFTER APRIL 14, 2021, AND BEFORE
2 MAY 17, 2021, IN THE CALCULATION OF INTEREST, A PENALTY OR AN
3 ADDITION TO TAX FOR FAILURE TO MEET AN EXTENDED DEADLINE UNDER
4 SUBPARAGRAPH (I)

5 (3) THIS SUBSECTION SHALL EXPIRE MAY 31, 2021.

6 SECTION 2. SECTIONS 403(A)(1) AND (E) AND 405 OF THE ACT ARE
7 AMENDED TO READ:

8 Section 403. Reports and Payment of Tax.--(a) (1) It shall
9 be the duty of every corporation, liable to pay tax under this
10 article, to transmit to the department, upon a form prescribed
11 by the department, an annual report under oath or affirmation of
12 its president, vice-president, treasurer, assistant treasurer or
13 other authorized officers of net income taxable under the
14 provisions of this article:

15 (i) on or before April 15, 1972, and every April 15 of each
16 year thereafter through April 15, 2016; [and]

17 (ii) for taxable years beginning after December 31, 2015, on
18 or before thirty days after the return to the Federal Government
19 is due, or would be due were it to be required of such
20 corporation, subject in all other respects to the provisions of
21 this article[.]; and

22 (iii) for taxable years beginning after December 31, 2020,
23 on or before the fifteenth day of the month following the due
24 date of the return to the Federal Government, or would be due
25 were it to be required of such corporation, subject in all other
26 respects to the provisions of this article.

27 * * *

28 (e) If any corporation closes its fiscal year not upon
29 December 31, but upon some other date, and reports to the
30 Federal Government as of such other date, or would so report

1 were it to make a return to the Federal Government, such
2 corporation shall certify such fact to the department, and shall
3 make the annual report, herein required, [within thirty days
4 after the return to the Federal Government is due] on or before
5 the fifteenth day of the month following the due date of the
6 return to the Federal Government, or would be due were it to be
7 required of such corporation, subject in all other respects to
8 the provisions of this article.

9 * * *

10 Section 405. Extension of Time to File Reports.--The
11 department may, upon application made to it, in such form as it
12 shall prescribe, on or prior to the last day for filing any
13 annual report, and upon proper cause shown, grant to the
14 corporation, required to file such report, an extension of not
15 more than sixty days within which such report may be filed. If
16 the Federal income tax authorities grant an extension of time
17 for filing the reports with the Federal Government, the
18 department shall automatically grant an extension of time for
19 filing the annual report under this article [of thirty days
20 after] until the fifteenth day of the month following the
21 termination of the Federal extension, but the amount of tax due
22 shall, in such cases, nevertheless, be subject to interest from
23 the due dates and at the rates fixed by this article.

24 Section 2 3. The amendment or addition of sections 403(a)(1) <--
25 (iii) and (e) and 405 of the act shall apply to taxable years
26 beginning after December 31, 2020.

27 Section 3 4. This act shall take effect immediately. <--