

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 654 Session of
2023

INTRODUCED BY BARTOLOTTA, YAW, HUTCHINSON, PENNYCUICK, ROTHMAN,
BAKER, DUSH, VOGEL AND SCHWANK, MAY 2, 2023

AMENDMENTS TO HOUSE AMENDMENTS, IN SENATE, JULY 11, 2024

AN ACT

1 ~~Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An~~ <--
2 ~~act relating to tax reform and State taxation by codifying~~
3 ~~and enumerating certain subjects of taxation and imposing~~
4 ~~taxes thereon; providing procedures for the payment,~~
5 ~~collection, administration and enforcement thereof; providing~~
6 ~~for tax credits in certain cases; conferring powers and~~
7 ~~imposing duties upon the Department of Revenue, certain~~
8 ~~employers, fiduciaries, individuals, persons, corporations~~
9 ~~and other entities; prescribing crimes, offenses and~~
10 ~~penalties," in personal income tax, further providing for~~
11 ~~classes of income; and establishing the Public Transportation~~
12 ~~Trust Fund.~~

13 AMENDING THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), ENTITLED "AN <--
14 ACT RELATING TO TAX REFORM AND STATE TAXATION BY CODIFYING
15 AND ENUMERATING CERTAIN SUBJECTS OF TAXATION AND IMPOSING
16 TAXES THEREON; PROVIDING PROCEDURES FOR THE PAYMENT,
17 COLLECTION, ADMINISTRATION AND ENFORCEMENT THEREOF; PROVIDING
18 FOR TAX CREDITS IN CERTAIN CASES; CONFERRING POWERS AND
19 IMPOSING DUTIES UPON THE DEPARTMENT OF REVENUE, CERTAIN
20 EMPLOYERS, FIDUCIARIES, INDIVIDUALS, PERSONS, CORPORATIONS
21 AND OTHER ENTITIES; PRESCRIBING CRIMES, OFFENSES AND
22 PENALTIES," IN SALES AND USE TAX, FURTHER PROVIDING FOR
23 EXCLUSIONS FROM TAX; IN PERSONAL INCOME TAX, FURTHER
24 PROVIDING FOR DEFINITIONS AND FOR CLASSES OF INCOME AND
25 PROVIDING FOR TRANSFER TO CLEAN STREAMS FUND; IN CORPORATE
26 NET INCOME TAX, FURTHER PROVIDING FOR DEFINITIONS AND
27 PROVIDING FOR DETERMINATION OF NET LOSS DEDUCTION; IN BANK
28 AND TRUST COMPANY SHARES TAX, FURTHER PROVIDING FOR
29 ASCERTAINMENT OF TAXABLE AMOUNT AND EXCLUSION OF UNITED
30 STATES OBLIGATIONS; IN REALTY TRANSFER TAX, FURTHER PROVIDING
31 FOR TRANSFER OF TAX; IN HISTORIC PRESERVATION INCENTIVE TAX
32 CREDIT, FURTHER PROVIDING FOR TAX CREDIT CERTIFICATES; IN
33 COAL REFUSE ENERGY AND RECLAMATION TAX CREDIT, FURTHER

1 PROVIDING FOR APPLICATION AND APPROVAL OF TAX CREDIT AND FOR
2 LIMITATION ON TAX CREDITS; IN CITY REVITALIZATION AND
3 IMPROVEMENT ZONES, FURTHER PROVIDING FOR DEFINITIONS, FOR
4 ESTABLISHMENT OR DESIGNATION OF CONTRACTING AUTHORITY, FOR
5 APPROVAL, FOR REPORTS, FOR TRANSFERS, FOR RESTRICTIONS, FOR
6 TRANSFER OF PROPERTY AND FOR REVIEW; IN MANUFACTURING AND
7 INVESTMENT TAX CREDIT, FURTHER PROVIDING FOR DEFINITIONS, FOR
8 RURAL GROWTH FUNDS, FOR CLAIMING THE TAX CREDIT AND FOR
9 REVOCATION OF TAX CREDIT CERTIFICATES; IN NEIGHBORHOOD
10 ASSISTANCE TAX CREDIT, FURTHER PROVIDING FOR TAX CREDIT AND
11 FOR GRANT OF TAX CREDIT; PROVIDING FOR 529 SAVINGS ACCOUNT
12 EMPLOYER MATCHING CONTRIBUTION TAX CREDIT AND FOR EMPLOYER
13 CHILD CARE CONTRIBUTION TAX CREDIT; IN COMPUTER DATA CENTER
14 EQUIPMENT INCENTIVE PROGRAM, FURTHER PROVIDING FOR
15 DEFINITIONS AND FOR SALES AND USE TAX EXEMPTION; PROVIDING
16 FOR TUITION ACCOUNT PROGRAMS; AND MAKING AN EDITORIAL CHANGE.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 ~~Section 1. Section 303 of the act of March 4, 1971 (P.L.6, <--~~
20 ~~No.2), known as the Tax Reform Code of 1971, is amended by~~
21 ~~adding a subsection to read:~~

22 ~~Section 303. Classes of Income. * * *~~

23 ~~(a.11) (1) Except as provided under paragraph (2), a~~
24 ~~taxpayer who has partial or full ownership of land on which~~
25 ~~taxable income is generated from the mining, extraction or~~
26 ~~production of oil, gas, ores, minerals or other natural~~
27 ~~resources of a mine, oil or gas well or other natural deposit~~
28 ~~occurs may claim a deduction for depletion of a mine, oil and~~
29 ~~gas well and other natural deposit in accordance with the~~
30 ~~provisions of sections 611, 612, 613, 613A, 614, 616 and 617 of~~
31 ~~the Internal Revenue Code of 1986 (Public Law 99 514, 26 U.S.C.~~
32 ~~§ 611 et seq.) in effect on the effective date of this~~
33 ~~paragraph.~~

34 ~~(2) Once a taxpayer has recovered the original basis in the~~
35 ~~property, the taxpayer is no longer eligible for the deduction~~
36 ~~under paragraph (1).~~

37 * * *

38 Section 2. The act is amended by adding an article to read:

1 ARTICLE XXIII A

2 PUBLIC TRANSPORTATION TRUST FUND

3 ~~Section 2301 A. Transfers to Public Transportation Trust Fund.~~

4 ~~Notwithstanding 74 Pa.C.S. § 1506(c) (1) (relating to fund),~~

5 ~~6.15% of the amount collected under Article II shall be~~

6 ~~deposited into the Public Transportation Trust Fund annually by~~

7 ~~the 20th day of each month for the preceding month.~~

8 ~~Section 2302 A. Annual increase.~~

9 ~~Notwithstanding 74 Pa.C.S. § 1513(c) (3) and (d) (2) (relating~~

10 ~~to operating program), the total financial assistance provided~~

11 ~~to each local transportation organization may exceed 20% of the~~

12 ~~prior year allocation and the Secretary of Transportation may~~

13 ~~adjust and hold harmless the amount of annual increase in local~~

14 ~~match under 74 Pa.C.S. § 1513(d) (2) for a period of five fiscal~~

15 ~~years beginning in fiscal year 2024 2025.~~

16 ~~Section 3. The addition of section 303(a.11) of the act~~

17 ~~shall apply to tax years beginning after December 31, 2023.~~

18 ~~Section 4. This act shall take effect as follows:~~

19 ~~(1) The addition of Article XXIII A of the act shall~~

20 ~~take effect July 1, 2024.~~

21 ~~(2) The remainder of this act shall take effect~~

22 ~~immediately.~~

23 SECTION 1. SECTION 204 OF THE ACT OF MARCH 4, 1971 (P.L.6, <--

24 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS AMENDED BY

25 ADDING A CLAUSE TO READ:

26 SECTION 204. EXCLUSIONS FROM TAX.--THE TAX IMPOSED BY

27 SECTION 202 SHALL NOT BE IMPOSED UPON ANY OF THE FOLLOWING:

28 * * *

29 (76) THE SALE AT RETAIL OR USE OF SERVICES RELATED TO THE

30 CLEANING OR MAINTENANCE OF A STORAGE TRAP UTILIZED BY A FOOD

1 SERVICE OR RESTAURANT ESTABLISHMENT TO COLLECT GREASE WASTE.

2 SECTION 2. SECTION 301 OF THE ACT IS AMENDED BY ADDING
3 SUBSECTIONS TO READ:

4 SECTION 301. DEFINITIONS.--ANY REFERENCE IN THIS ARTICLE TO
5 THE INTERNAL REVENUE CODE OF 1986 SHALL MEAN THE INTERNAL
6 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 1 ET SEQ.),
7 AS AMENDED TO JANUARY 1, 1997, UNLESS THE REFERENCE CONTAINS THE
8 PHRASE "AS AMENDED" AND REFERS TO NO OTHER DATE, IN WHICH CASE
9 THE REFERENCE SHALL BE TO THE INTERNAL REVENUE CODE OF 1986 AS
10 IT EXISTS AS OF THE TIME OF APPLICATION OF THIS ARTICLE. THE
11 FOLLOWING WORDS, TERMS AND PHRASES WHEN USED IN THIS ARTICLE
12 SHALL HAVE THE MEANING ASCRIBED TO THEM IN THIS SECTION EXCEPT
13 WHERE THE CONTEXT CLEARLY INDICATES A DIFFERENT MEANING:

14 * * *

15 (O.5) "QUALIFIED STUDENT LOAN" MEANS INDEBTEDNESS INCURRED
16 BY A TAXPAYER TO PAY EDUCATIONAL EXPENSES, WHICH ARE:

17 (1) INCURRED ON BEHALF OF THE TAXPAYER AT THE TIME THE
18 INDEBTEDNESS IS INCURRED;

19 (2) PAID OR INCURRED WITHIN A REASONABLE PERIOD OF TIME
20 BEFORE OR AFTER THE INDEBTEDNESS IS INCURRED; AND

21 (3) ATTRIBUTABLE TO EDUCATION FURNISHED DURING A PERIOD IN
22 WHICH THE RECIPIENT IS A STUDENT.

23 THE TERM INCLUDES INDEBTEDNESS USED TO REFINANCE INDEBTEDNESS
24 THAT QUALIFIES AS A A QUALIFIED STUDENT LOAN. THE TERM DOES NOT
25 INCLUDE INDEBTEDNESS OWED BY A TAXPAYER TO A PERSON RELATED TO
26 THE TAXPAYER.

27 * * *

28 (T.1) "STUDENT LOAN INTEREST" MEANS INTEREST PAID DURING THE
29 TAXABLE YEAR ON A QUALIFIED STUDENT LOAN, INCLUDING REQUIRED AND
30 VOLUNTARY INTEREST PAYMENTS, TO ATTEND A COLLEGE, UNIVERSITY,

1 VOCATIONAL SCHOOL OR OTHER POSTSECONDARY EDUCATIONAL INSTITUTION
2 ELIGIBLE TO PARTICIPATE IN A STUDENT AID PROGRAM ADMINISTERED BY
3 THE UNITED STATES DEPARTMENT OF EDUCATION.

4 * * *

5 SECTION 3. SECTION 303(A.7) (2) (I) (B) OF THE ACT IS AMENDED,
6 THE SUBSECTION IS AMENDED BY ADDING A PARAGRAPH AND THE SECTION
7 IS AMENDED BY ADDING CLAUSES TO READ:

8 SECTION 303. CLASSES OF INCOME.--* * *

9 (A.7) THE FOLLOWING APPLY:

10 * * *

11 (2) (I) THE FOLLOWING SHALL NOT BE SUBJECT TO TAX UNDER
12 THIS ARTICLE:

13 * * *

14 (B) [ANY ROLLOVER THAT IS EXCLUDABLE FROM TAX UNDER SECTION
15 529(C) (3) (C) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.]
16 ANY DISTRIBUTION THAT IS EXCLUDABLE FROM TAX UNDER SECTION 529
17 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

18 * * *

19 (E) ANY AMOUNT RECEIVED BY AN EMPLOYEE THROUGH AN EMPLOYER'S
20 MATCHING CONTRIBUTION TO AN ACCOUNT AS DEFINED UNDER ARTICLE
21 XIX-J.

22 * * *

23 (7) AN AMOUNT RECEIVED FROM THE FEDERAL OR STATE GOVERNMENT
24 OR NORFOLK SOUTHERN RAILWAY, OR AN AGENT THEREOF, AS A RESULT OF
25 THE TRAIN DERAILMENT THAT OCCURRED IN EAST PALESTINE, OHIO, ON
26 FEBRUARY 3, 2023, SHALL NOT BE CONSIDERED INCOME SUBJECT TO THE
27 TAX IMPOSED BY THIS ARTICLE.

28 * * *

29 (A.11) THE AMOUNT OF STUDENT LOAN INTEREST PAID DURING A
30 TAXABLE YEAR BY A RESIDENT INDIVIDUAL SHALL BE DEDUCTIBLE FROM

1 TAXABLE INCOME ON THE ANNUAL PERSONAL INCOME TAX RETURN,

2 PROVIDED THAT THE DEDUCTION MAY NOT:

3 (1) EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) PER

4 TAXABLE YEAR; AND

5 (2) RESULT IN TAXABLE INCOME BEING LESS THAN ZERO.

6 (A.12) A PERSON MAY CLAIM A DEDUCTION FOR DEPLETION OF A

7 MINE, OIL AND GAS WELL AND OTHER NATURAL DEPOSIT IN ACCORDANCE

8 WITH THE PROVISIONS OF SECTIONS 611, 612, 613, 613A, 614, 616

9 AND 617 OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514,

10 26 U.S.C. § 611 ET SEQ.) IN EFFECT ON THE EFFECTIVE DATE OF THIS

11 SUBSECTION.

12 * * *

13 SECTION 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

14 SECTION 360.1. TRANSFER TO CLEAN STREAMS FUND.--NO LATER

15 THAN AUGUST 1, 2024, AND EACH AUGUST 1 THEREAFTER, THE SUM OF

16 FIFTY MILLION DOLLARS (\$50,000,000) SHALL BE TRANSFERRED FROM

17 THE PROCEEDS OF THE TAX IMPOSED UNDER THIS ARTICLE TO THE CLEAN

18 STREAMS FUND ESTABLISHED UNDER SECTION 1712-A.2 OF THE ACT OF

19 APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS "THE FISCAL CODE."

20 SECTION 5. PART I HEADING OF ARTICLE IV OF THE ACT IS

21 AMENDED TO READ:

22 PART I

23 [DEFINITIONS] PRELIMINARY PROVISIONS

24 SECTION 6. SECTION 401(C) (1) (A) AND (2) (B) OF THE ACT ARE

25 AMENDED AND CLAUSE (3)1 IS AMENDED BY ADDING PHRASES TO READ:

26 SECTION 401. DEFINITIONS.--THE FOLLOWING WORDS, TERMS, AND

27 PHRASES, WHEN USED IN THIS ARTICLE, SHALL HAVE THE MEANING

28 ASCRIBED TO THEM IN THIS SECTION, EXCEPT WHERE THE CONTEXT

29 CLEARLY INDICATES A DIFFERENT MEANING:

30 * * *

1 (3) "TAXABLE INCOME." 1. * * *

2 (B.2) AN ADDITIONAL DEDUCTION SHALL BE ALLOWED FROM THE
3 TAXABLE INCOME OF A MEDICAL CANNABIS BUSINESS IN THE AMOUNT OF
4 THE ORDINARY AND NECESSARY EXPENSES THAT WERE PAID OR INCURRED
5 BY THE MEDICAL CANNABIS BUSINESS DURING THE TAXABLE YEAR THAT
6 ARE ORDINARILY DEDUCTIBLE FOR FEDERAL INCOME TAX PURPOSES UNDER
7 SECTION 162 OF THE INTERNAL REVENUE CODE OF 1986 (26 U.S.C. §
8 162) IF NO DEDUCTION FOR ORDINARY AND NECESSARY EXPENSES PAID OR
9 INCURRED BY THE MEDICAL CANNABIS BUSINESS WAS TAKEN FOR FEDERAL
10 INCOME TAX PURPOSES FOR THE TAXABLE YEAR. AS USED IN THIS
11 PARAGRAPH, THE TERM "MEDICAL CANNABIS BUSINESS" SHALL MEAN A
12 MEDICAL MARIJUANA ORGANIZATION AS DEFINED IN SECTION 103 OF THE
13 ACT OF APRIL 17, 2016 (P.L.84, NO.16), KNOWN AS THE "MEDICAL
14 MARIJUANA ACT," THAT HAS AN ACTIVE GROWER/PROCESSOR PERMIT
15 DURING THE TAXABLE YEAR FOR WHICH THE DEDUCTION IS SOUGHT.

16 * * *

17 (U) (1) TO THE EXTENT A TAXPAYER MAKES THE ADJUSTMENT
18 REQUIRED BY PHRASE (T) (1) AN AFFILIATED ENTITY WHICH IS SUBJECT
19 TO TAX UNDER THIS ARTICLE ON A TAX BASE THAT INCLUDES THE
20 INTANGIBLE EXPENSE OR COST, OR THE INTEREST EXPENSE OR COST,
21 PAID, ACCRUED OR INCURRED BY THE TAXPAYER MAY ANNUALLY ELECT TO
22 EXCLUDE THE INTANGIBLE EXPENSE OR COST, OR THE INTEREST EXPENSE
23 OR COST WHEN DETERMINING THE AFFILIATED ENTITY'S TAXABLE INCOME
24 UNDER SUBCLAUSE 1, OR IF APPLICABLE, SUBCLAUSE 2. IF SUCH AN
25 ELECTION IS MADE, THE TAXPAYER THAT MADE THE ADJUSTMENT REQUIRED
26 BY PHRASE (T) (1) SHALL NOT BE ENTITLED TO RECEIVE ANY CREDIT
27 AGAINST TAX DUE IN THIS COMMONWEALTH AS CALCULATED UNDER PHRASE
28 (T) (1) (A) OR (B).

29 (2) THE ELECTION UNDER PARAGRAPH (1) SHALL BE MADE BY THE
30 AFFILIATED ENTITY WITH THE FILING OF IT'S ORIGINAL RETURN. THE

1 AFFILIATED ENTITY SHALL IDENTIFY THE NAME AND FEDERAL EIN OF THE
2 TAXPAYER TO WHICH THE ELECTION APPLIES. NOTHING IN THIS
3 PARAGRAPH SHALL OTHERWISE IMPACT NEXUS OR APPORTIONMENT OF THE
4 TAXPAYER OR THE AFFILIATED ENTITY.

5 (3) IN NO CASE SHALL THE EXCLUSION UNDER PARAGRAPH (1)
6 EXCEED THE INTANGIBLE EXPENSE OR COST, OR THE INTEREST EXPENSE
7 OR COST, PAID, ACCRUED OR INCURRED BY THE TAXPAYER.

8 4. * * *

9 (C) (1) THE NET LOSS DEDUCTION SHALL BE THE LESSER OF:

10 (A) (I) FOR TAXABLE YEARS BEGINNING BEFORE JANUARY 1, 2007,
11 TWO MILLION DOLLARS (\$2,000,000);

12 (II) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2006,
13 THE GREATER OF TWELVE AND ONE-HALF PER CENT OF TAXABLE INCOME AS
14 DETERMINED UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR
15 THREE MILLION DOLLARS (\$3,000,000);

16 (III) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2008,
17 THE GREATER OF FIFTEEN PER CENT OF TAXABLE INCOME AS DETERMINED
18 UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR THREE
19 MILLION DOLLARS (\$3,000,000);

20 (IV) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2009,
21 THE GREATER OF TWENTY PER CENT OF TAXABLE INCOME AS DETERMINED
22 UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR THREE
23 MILLION DOLLARS (\$3,000,000);

24 (V) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2013, THE
25 GREATER OF TWENTY-FIVE PER CENT OF TAXABLE INCOME AS DETERMINED
26 UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR FOUR MILLION
27 DOLLARS (\$4,000,000);

28 (VI) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2014,
29 THE GREATER OF THIRTY PER CENT OF TAXABLE INCOME AS DETERMINED
30 UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR FIVE MILLION

1 DOLLARS (\$5,000,000);

2 (VII) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2017,
3 THIRTY-FIVE PER CENT OF TAXABLE INCOME AS DETERMINED UNDER
4 SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2;

5 (VIII) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2018,
6 FORTY PER CENT OF TAXABLE INCOME AS DETERMINED UNDER SUBCLAUSE 1
7 OR, IF APPLICABLE, SUBCLAUSE 2; [OR]

8 (IX) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2024,
9 THE PERCENTAGE OF TAXABLE INCOME AS DETERMINED UNDER SECTION
10 401.1; OR

11 * * *

12 (2) * * *

13 (B) THE EARLIEST NET LOSS SHALL BE CARRIED OVER TO THE
14 EARLIEST TAXABLE YEAR TO WHICH IT MAY BE CARRIED UNDER THIS
15 SCHEDULE. THE TOTAL NET LOSS DEDUCTION ALLOWED IN ANY TAXABLE
16 YEAR SHALL NOT EXCEED:

17 (I) TWO MILLION DOLLARS (\$2,000,000) FOR TAXABLE YEARS
18 BEGINNING BEFORE JANUARY 1, 2007.

19 (II) THE GREATER OF TWELVE AND ONE-HALF PER CENT OF THE
20 TAXABLE INCOME AS DETERMINED UNDER SUBCLAUSE 1 OR, IF
21 APPLICABLE, SUBCLAUSE 2 OR THREE MILLION DOLLARS (\$3,000,000)
22 FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2006.

23 (III) THE GREATER OF FIFTEEN PER CENT OF THE TAXABLE INCOME
24 AS DETERMINED UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2
25 OR THREE MILLION DOLLARS (\$3,000,000) FOR TAXABLE YEARS
26 BEGINNING AFTER DECEMBER 31, 2008.

27 (IV) THE GREATER OF TWENTY PER CENT OF THE TAXABLE INCOME AS
28 DETERMINED UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR
29 THREE MILLION DOLLARS (\$3,000,000) FOR TAXABLE YEARS BEGINNING
30 AFTER DECEMBER 31, 2009.

1 (V) THE GREATER OF TWENTY-FIVE PER CENT OF TAXABLE INCOME AS
2 DETERMINED UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR
3 FOUR MILLION DOLLARS (\$4,000,000) FOR TAXABLE YEARS BEGINNING
4 AFTER DECEMBER 31, 2013.

5 (VI) THE GREATER OF THIRTY PER CENT OF TAXABLE INCOME AS
6 DETERMINED UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 OR
7 FIVE MILLION DOLLARS (\$5,000,000) FOR TAXABLE YEARS BEGINNING
8 AFTER DECEMBER 31, 2014.

9 (VII) THIRTY-FIVE PER CENT OF TAXABLE INCOME AS DETERMINED
10 UNDER SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 FOR TAXABLE
11 YEARS BEGINNING AFTER DECEMBER 31, 2017.

12 (VIII) FORTY PER CENT OF TAXABLE INCOME AS DETERMINED UNDER
13 SUBCLAUSE 1 OR, IF APPLICABLE, SUBCLAUSE 2 FOR TAXABLE YEARS
14 BEGINNING AFTER DECEMBER 31, 2018.

15 (IX) THE PERCENTAGE OF TAXABLE INCOME AS DETERMINED UNDER
16 SECTION 401.1 FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31,
17 2024.

18 * * *

19 SECTION 7. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

20 SECTION 401.1. DETERMINATION OF NET LOSS DEDUCTION.--(A)
21 FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2024, AND PRIOR
22 TO JANUARY 1, 2026, THE NET LOSS DEDUCTION SHALL BE DETERMINED
23 AS FOLLOWS:

24 (1) DEDUCT FORTY PER CENT OF TAXABLE INCOME AS DETERMINED
25 UNDER SUBCLAUSE 1 OF SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE
26 2 OF SECTION 401(3), FOR A NET LOSS INCURRED IN A TAXABLE YEAR
27 BEGINNING PRIOR TO JANUARY 1, 2025.

28 (2) (RESERVED).

29 (B) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2025, AND
30 PRIOR TO JANUARY 1, 2027, THE NET LOSS DEDUCTION SHALL BE

1 DETERMINED AS FOLLOWS:

2 (1) DEDUCT FORTY PER CENT OF TAXABLE INCOME AS DETERMINED
3 UNDER SUBCLAUSE 1 OF SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE
4 2 OF SECTION 401(3), FOR A NET LOSS INCURRED IN A TAXABLE YEAR
5 BEGINNING PRIOR TO JANUARY 1, 2025.

6 (2) FOR A NET LOSS INCURRED IN A TAXABLE YEAR BEGINNING
7 AFTER DECEMBER 31, 2024, DEDUCT AN AMOUNT EQUAL TO:

8 (I) FIFTY PER CENT MINUS THE ACTUAL PERCENTAGE OF TAXABLE
9 INCOME DEDUCTED UNDER PARAGRAPH (1); MULTIPLIED BY

10 (II) THE TAXABLE INCOME AS DETERMINED UNDER SUBCLAUSE 1 OF
11 SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE 2 OF SECTION 401(3).

12 (C) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2026, AND
13 PRIOR TO JANUARY 1, 2028, THE NET LOSS DEDUCTION SHALL BE
14 DETERMINED AS FOLLOWS:

15 (1) DEDUCT FORTY PER CENT OF TAXABLE INCOME AS DETERMINED
16 UNDER SUBCLAUSE 1 OF SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE
17 2 OF SECTION 401(3), FOR A NET LOSS INCURRED IN A TAXABLE YEAR
18 BEGINNING PRIOR TO JANUARY 1, 2025.

19 (2) FOR A NET LOSS INCURRED IN A TAXABLE YEAR BEGINNING
20 AFTER DECEMBER 31, 2024, DEDUCT AN AMOUNT EQUAL TO:

21 (I) SIXTY PER CENT MINUS THE ACTUAL PERCENTAGE OF TAXABLE
22 INCOME DEDUCTED UNDER PARAGRAPH (1); MULTIPLIED BY

23 (II) THE TAXABLE INCOME AS DETERMINED UNDER SUBCLAUSE 1 OF
24 SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE 2 OF SECTION 401(3).

25 (D) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2027, AND
26 PRIOR TO JANUARY 1, 2029, THE NET LOSS DEDUCTION SHALL BE
27 DETERMINED AS FOLLOWS:

28 (1) DEDUCT FORTY PER CENT OF TAXABLE INCOME AS DETERMINED
29 UNDER SUBCLAUSE 1 OF SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE
30 2 OF SECTION 401(3), FOR A NET LOSS INCURRED IN A TAXABLE YEAR

1 BEGINNING PRIOR TO JANUARY 1, 2025.

2 (2) FOR A NET LOSS INCURRED IN A TAXABLE YEAR BEGINNING
3 AFTER DECEMBER 31, 2024, DEDUCT AN AMOUNT EQUAL TO:

4 (I) SEVENTY PER CENT MINUS THE ACTUAL PERCENTAGE OF TAXABLE
5 INCOME DEDUCTED UNDER PARAGRAPH (1); MULTIPLIED BY

6 (II) THE TAXABLE INCOME AS DETERMINED UNDER SUBCLAUSE 1 OF
7 SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE 2 OF SECTION 401(3).

8 (E) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2028, THE
9 NET LOSS DEDUCTION SHALL BE DETERMINED AS FOLLOWS:

10 (1) DEDUCT FORTY PER CENT OF TAXABLE INCOME AS DETERMINED
11 UNDER SUBCLAUSE 1 OF SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE
12 2 OF SECTION 401(3), FOR A NET LOSS INCURRED IN A TAXABLE YEAR
13 BEGINNING PRIOR TO JANUARY 1, 2025.

14 (2) FOR A NET LOSS INCURRED IN A TAXABLE YEAR BEGINNING
15 AFTER DECEMBER 31, 2024, DEDUCT AN AMOUNT EQUAL TO:

16 (I) EIGHTY PER CENT MINUS THE ACTUAL PERCENTAGE OF TAXABLE
17 INCOME DEDUCTED UNDER PARAGRAPH (1); MULTIPLIED BY

18 (II) THE TAXABLE INCOME AS DETERMINED UNDER SUBCLAUSE 1 OF
19 SECTION 401(3) OR, IF APPLICABLE, SUBCLAUSE 2 OF SECTION 401(3).

20 SECTION 8. SECTION 701.1(B), (B.1) AND (C) OF THE ACT ARE
21 AMENDED TO READ:

22 SECTION 701.1. ASCERTAINMENT OF TAXABLE AMOUNT; EXCLUSION OF
23 UNITED STATES OBLIGATIONS.--* * *

24 (B) A DEDUCTION FOR THE VALUE OF UNITED STATES OBLIGATIONS
25 SHALL BE PROVIDED FROM THE TAXABLE AMOUNT OF SHARES IN AN AMOUNT
26 EQUAL TO THE SAME PERCENTAGE OF TOTAL BANK EQUITY CAPITAL AS THE
27 BOOK VALUE OF OBLIGATIONS OF THE UNITED STATES BEARS TO THE BOOK
28 VALUE OF THE TOTAL ASSETS. IN COMPUTING THE DEDUCTION FOR UNITED
29 STATES OBLIGATIONS, ANY GOODWILL [RECORDED AS A RESULT OF THE
30 USE OF PURCHASE ACCOUNTING FOR AN ACQUISITION OR COMBINATION AS

1 DESCRIBED IN THIS SECTION AND OCCURRING AFTER JUNE 30, 2001,]
2 DEDUCTED FROM THE TAXABLE AMOUNT OF SHARES UNDER SUBSECTION
3 (B.1) SHALL BE SUBTRACTED FROM THE BOOK VALUE OF TOTAL BANK
4 EQUITY CAPITAL AND DISREGARDED IN DETERMINING THE DEDUCTION
5 PROVIDED FOR OBLIGATIONS OF THE UNITED STATES. FOR PURPOSES OF
6 THIS ARTICLE, UNITED STATES OBLIGATIONS SHALL BE OBLIGATIONS
7 COMING WITHIN THE SCOPE OF 31 U.S.C. § 3124 (RELATING TO
8 EXEMPTION FROM TAXATION).

9 (B.1) A DEDUCTION FOR GOODWILL SHALL BE PROVIDED FROM THE
10 TAXABLE AMOUNT OF SHARES IN AN AMOUNT EQUAL TO THE VALUE OF ANY
11 GOODWILL RECORDED [AS A RESULT OF THE USE OF PURCHASE ACCOUNTING
12 FOR AN ACQUISITION OR COMBINATION AS DESCRIBED IN THIS SECTION]
13 IN THE REPORTS OF CONDITION OF THE INSTITUTION PURSUANT TO
14 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BECAUSE OF AN
15 ACQUISITION OR BUSINESS COMBINATION AND OCCURRING AFTER JUNE 30,
16 2001.

17 [(C) FOR PURPOSES OF THIS SECTION:

18 (1) A MERE CHANGE IN IDENTITY, FORM OR PLACE OF ORGANIZATION
19 OF ONE INSTITUTION, HOWEVER EFFECTED, SHALL BE TREATED AS IF A
20 SINGLE INSTITUTION HAD BEEN IN EXISTENCE PRIOR TO AS WELL AS
21 AFTER SUCH CHANGE; AND

22 (2) IF THERE IS A COMBINATION OF TWO OR MORE INSTITUTIONS
23 INTO ONE, THE BOOK VALUES AND DEDUCTIONS FOR UNITED STATES
24 OBLIGATIONS FROM THE REPORTS OF CONDITION OF THE CONSTITUENT
25 INSTITUTIONS SHALL BE COMBINED. FOR PURPOSES OF THIS SECTION, A
26 COMBINATION SHALL INCLUDE ANY ACQUISITION REQUIRED TO BE
27 ACCOUNTED FOR BY USING THE PURCHASE METHOD IN ACCORDANCE WITH
28 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OR A STATUTORY MERGER
29 OR CONSOLIDATION.]

30 SECTION 9. SECTION 1102-C.6(A) AND (B) OF THE ACT ARE

1 AMENDED AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO
2 READ:

3 SECTION 1102-C.6. TRANSFER OF TAX.-- (A) [SUBJECT TO
4 SUBSECTION (B), BEGINNING] BEGINNING JULY 31, 2019, AND EACH
5 JULY 31 THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE
6 GENERAL FUND TO THE HOUSING AFFORDABILITY AND REHABILITATION
7 ENHANCEMENT FUND UNDER ARTICLE IV-D OF THE ACT OF DECEMBER 3,
8 1959 (P.L.1688, NO.621), KNOWN AS THE "HOUSING FINANCE AGENCY
9 LAW," AN AMOUNT [EQUAL TO FORTY PER CENT OF THE DIFFERENCE
10 BETWEEN:

11 (1) THE TOTAL AMOUNT OF THE TAX IMPOSED UNDER SECTION 1102-C
12 AND COLLECTED BY THE COMMONWEALTH FOR THE PRIOR FISCAL YEAR; AND

13 (2) THE TOTAL DOLLAR AMOUNT OF SUCH TAX ESTIMATED FOR THE
14 FISCAL YEAR BEGINNING JULY 1, 2014, AND AS CONTAINED IN THE
15 FINAL ESTIMATE SIGNED BY THE GOVERNOR FOR THAT FISCAL YEAR AS
16 REQUIRED BY SECTION 618 OF THE ACT OF APRIL 9, 1929 (P.L.177,
17 NO.175), KNOWN AS "THE ADMINISTRATIVE CODE OF 1929."] UNDER
18 SUBSECTION (B).

19 (B) THE AMOUNT TRANSFERRED UNDER SUBSECTION (A) [MAY NOT
20 EXCEED] SHALL BE EQUAL TO THE FOLLOWING:

21 (1) FOR EACH FISCAL YEAR BEGINNING AFTER JUNE 30, 2019, AND
22 ENDING PRIOR TO JULY 1, 2023, FORTY MILLION DOLLARS
23 (\$40,000,000).

24 (2) FOR THE FISCAL YEAR BEGINNING [JULY 1, 2023, AND EACH
25 FISCAL YEAR THEREAFTER, SIXTY MILLION DOLLARS (\$60,000,000).]
26 AFTER JUNE 30, 2023, AND ENDING PRIOR TO JULY 1, 2024, SIXTY
27 MILLION DOLLARS (\$60,000,000).

28 (3) FOR THE FISCAL YEAR BEGINNING AFTER JUNE 30, 2024, AND
29 ENDING PRIOR TO JULY 1, 2025, SEVENTY MILLION DOLLARS
30 (\$70,000,000).

1 (4) FOR THE FISCAL YEAR BEGINNING AFTER JUNE 30, 2025, AND
2 ENDING PRIOR TO JULY 1, 2026, EIGHTY MILLION DOLLARS
3 (\$80,000,000).

4 (5) FOR THE FISCAL YEAR BEGINNING AFTER JUNE 30, 2026, AND
5 ENDING PRIOR TO JULY 1, 2027, NINETY MILLION DOLLARS
6 (\$90,000,000).

7 (6) FOR THE FISCAL YEAR BEGINNING JULY 1, 2027, AND EACH
8 FISCAL YEAR THEREAFTER, ONE HUNDRED MILLION DOLLARS
9 (\$100,000,000).

10 * * *

11 (D) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO INCREASE
12 THE RATE OF TAX IMPOSED UNDER SECTION 1102-C.

13 SECTION 10. SECTION 1703-H(B) (2.3) AND (5) (I) OF THE ACT ARE
14 AMENDED TO READ:

15 SECTION 1703-H. TAX CREDIT CERTIFICATES.

16 * * *

17 (B) REVIEW, RECOMMENDATION AND APPROVAL.--

18 * * *

19 (2.3) ANY AMOUNT OF TAX CREDIT CERTIFICATES UP TO THE
20 ANNUAL PROGRAM LIMIT OF [\$5,000,000] \$20,000,000 NOT AWARDED
21 WITHIN THE INITIAL APPLICATION PERIOD SHALL BE AVAILABLE ON A
22 FIRST-COME, FIRST-SERVED BASIS THROUGH A PROCESS DETERMINED
23 BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.

24 * * *

25 (5) IN GRANTING TAX CREDIT CERTIFICATES UNDER THIS
26 ARTICLE, THE DEPARTMENT OF COMMUNITY AND ECONOMIC
27 DEVELOPMENT:

28 (I) SHALL NOT GRANT MORE THAN [\$5,000,000]
29 \$20,000,000 IN TAX CREDIT CERTIFICATES IN ANY FISCAL YEAR
30 EXCLUSIVE OF ANY TAX CREDIT CERTIFICATES NOT AWARDED OR

1 RETURNED FROM PREVIOUS FISCAL YEARS.

2 * * *

3 SECTION 11. SECTION 1704-J(B) OF THE ACT IS AMENDED TO READ:
4 SECTION 1704-J. APPLICATION AND APPROVAL OF TAX CREDIT.

5 * * *

6 (B) AMOUNT.--EXCEPT AS OTHERWISE PROVIDED UNDER SECTION
7 1707-J, A QUALIFIED TAXPAYER SHALL RECEIVE A TAX CREDIT EQUAL TO
8 ~~[\$4]~~ \$8 MULTIPLIED BY THE TONS OF QUALIFIED COAL REFUSE USED TO
9 GENERATE ELECTRICITY AT AN ELIGIBLE FACILITY IN THIS
10 COMMONWEALTH BY A QUALIFIED TAXPAYER IN THE PREVIOUS CALENDAR
11 YEAR.

12 * * *

13 SECTION 12. SECTION 1707-J(A) AND (C) OF THE ACT ARE AMENDED
14 AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:
15 SECTION 1707-J. LIMITATION ON TAX CREDITS.

16 (A) AMOUNT.--THE TOTAL AMOUNT OF TAX CREDITS ISSUED BY THE
17 DEPARTMENT MAY NOT EXCEED \$7,500,000 IN FISCAL YEAR 2016-2017,
18 \$10,000,000 IN FISCAL YEARS 2017-2018 AND 2018-2019 ~~[AND~~
19 ~~\$20,000,000 IN]~~, \$20,000,000 IN FISCAL YEARS 2019-2020, 2020-
20 2021, 2021-2022, 2022-2023 AND 2023-2024 AND \$55,000,000
21 ANNUALLY BEGINNING IN THE 2024-2025 FISCAL YEAR AND CONTINUING
22 EACH FISCAL YEAR THEREAFTER.

23 * * *

24 (C) RESTRICTION.--NOTWITHSTANDING SUBSECTION (B), THE
25 DEPARTMENT MAY NOT GRANT MORE THAN ~~[22.2%]~~ 26.5% OF THE AMOUNT
26 UNDER SUBSECTION (A) IN TAX CREDITS TO A SINGLE ELIGIBLE
27 FACILITY IN ANY FISCAL YEAR.

28 (D) EXCEPTION.--IN A FISCAL YEAR WHERE THE FULL AMOUNT OF
29 THE TAX CREDIT IS NOT UTILIZED DUE TO THE RESTRICTION IN
30 SUBSECTION (C), A FACILITY NOT RECEIVING THE FULL PER TON TAX

1 CREDIT FOR WHICH THE FACILITY WOULD OTHERWISE BE ELIGIBLE SHALL
2 BE PROVIDED, ON A PRORATED BASIS AS DESCRIBED IN SUBSECTION (B),
3 UP TO THE MAXIMUM PER TON TAX CREDIT AMOUNT THE FACILITY WOULD
4 OTHERWISE BE AUTHORIZED TO RECEIVE UNDER THIS SECTION.

5 SECTION 13. THE DEFINITIONS OF "CITY," "CITY REVITALIZATION
6 AND IMPROVEMENT ZONE," "ELIGIBLE TAX," "MUNICIPALITY" AND "PILOT
7 ZONE" IN SECTION 1802-C OF THE ACT ARE AMENDED TO READ:
8 SECTION 1802-C. DEFINITIONS.

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

12 * * *

13 "CITY." A CITY OF THE SECOND CLASS A OR THIRD CLASS OR A
14 HOME RULE CITY OR A MUNICIPALITY WITH A POPULATION OF AT LEAST
15 20,000 BASED ON THE MOST RECENT FEDERAL DECENNIAL CENSUS. THE
16 TERM DOES NOT INCLUDE A CITY THAT IS DETERMINED TO BE DISTRESSED
17 UNDER THE ACT OF JULY 10, 1987 (P.L.246, NO.47), KNOWN AS THE
18 MUNICIPALITIES FINANCIAL RECOVERY ACT.

19 "CITY REVITALIZATION AND IMPROVEMENT ZONE." AN AREA OF NOT
20 MORE THAN 130 ACRES IN A CITY OR MUNICIPALITY, THAT MAY INCLUDE
21 AN AREA IN ONE OR MORE CONTIGUOUS MUNICIPALITIES, COMPRISED OF
22 PARCELS DESIGNATED BY THE CONTRACTING AUTHORITY, WHICH WILL
23 PROVIDE ECONOMIC DEVELOPMENT AND JOB CREATION WITHIN A CITY OR
24 ONE OR MORE CONTIGUOUS MUNICIPALITIES.

25 * * *

26 "ELIGIBLE TAX." ANY OF THE FOLLOWING TAXES:

27 (1) CORPORATE NET INCOME TAX, CAPITAL STOCK AND
28 FRANCHISE TAX, BANK SHARES TAX, PERSONAL INCOME TAX PAID BY
29 SHAREHOLDERS, MEMBERS OR PARTNERS OF SUBCHAPTER S
30 CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS OR

1 SOLE PROPRIETORS ON INCOME OTHER THAN PASSIVE ACTIVITY INCOME
2 AS DEFINED UNDER SECTION 469 OF THE INTERNAL REVENUE CODE OF
3 1986 (PUBLIC LAW 99-516, 26 U.S.C. § 1 ET SEQ.) OR BUSINESS
4 PRIVILEGE TAX, CALCULATED AND APPORTIONED AS TO AMOUNT
5 ATTRIBUTABLE TO THE LOCATION WITHIN THE ZONE AND CALCULATED
6 UNDER SECTION 1904-B(B) AND (C).

7 (1.1) FOR A ZONE DESIGNATED AFTER JULY 1, 2024,
8 INSURANCE PREMIUMS TAX, CALCULATED AND APPORTIONED AS TO THE
9 AMOUNT ATTRIBUTABLE TO THE LOCATION WITHIN THE ZONE AND
10 CALCULATED UNDER SECTION 1904-B(C).

11 (2) AMUSEMENT TAX, ONLY TO THE EXTENT THE TAX IS RELATED
12 TO THE ACTIVITY OF A QUALIFIED BUSINESS WITHIN THE ZONE.

13 (3) SALES AND USE TAX, ONLY TO THE EXTENT THE TAX IS
14 RELATED TO THE ACTIVITY OF A QUALIFIED BUSINESS WITHIN THE
15 ZONE. THE TERM INCLUDES SALES AND USE TAXES ON MATERIAL USED
16 FOR CONSTRUCTION IN THE ZONE AND BUSINESS PERSONAL PROPERTY
17 TO BE USED BY THE QUALIFIED BUSINESS IN THE ZONE.

18 (3.1) THE HOTEL OCCUPANCY TAX IMPOSED UNDER PART V OF
19 ARTICLE II.

20 (4) PERSONAL INCOME TAX WITHHELD FROM ITS EMPLOYEES BY A
21 QUALIFIED BUSINESS FOR WORK PERFORMED IN THE ZONE.

22 (5) LOCAL SERVICES TAX WITHHELD FROM ITS EMPLOYEES BY A
23 QUALIFIED BUSINESS FOR WORK PERFORMED IN THE ZONE.

24 (6) EARNED INCOME TAX WITHHELD FROM ITS EMPLOYEES BY A
25 QUALIFIED BUSINESS FOR WORK PERFORMED IN THE ZONE.

26 (7) ALL TAXES PAID TO THE COMMONWEALTH, OR AN AMOUNT
27 EQUAL TO ALL OF THE TAXES PAID TO THE COMMONWEALTH, RELATED
28 TO THE PURCHASE OR SALE OF LIQUOR, WINE OR MALT OR BREWED
29 BEVERAGES BY A LICENSEE LOCATED IN THE ZONE FOR PURCHASES
30 THAT OCCURRED OUTSIDE THE ZONE.

1 THE TERM DOES NOT INCLUDE CIGARETTE TAX.

2 * * *

3 "MUNICIPALITY." AN INCORPORATED TOWN, A TOWNSHIP OR A
4 BOROUGH. THE TERM DOES NOT INCLUDE AN INCORPORATED TOWN, A
5 TOWNSHIP OR A BOROUGH THAT IS DETERMINED TO BE DISTRESSED UNDER
6 THE MUNICIPALITIES FINANCIAL RECOVERY ACT.

7 * * *

8 "PILOT ZONE." AN AREA OF NOT MORE THAN 100 ACRES DESIGNATED
9 BY THE CONTRACTING AUTHORITY PRIOR TO JULY 1, 2024, FOLLOWING
10 APPLICATION AND APPROVAL BY THE DEPARTMENT OF COMMUNITY AND
11 ECONOMIC DEVELOPMENT, THE OFFICE AND THE DEPARTMENT WHICH WILL
12 PROVIDE ECONOMIC DEVELOPMENT AND JOB CREATION WITHIN ONE OR MORE
13 MUNICIPALITIES, WITH A TOTAL POPULATION OF AT LEAST 7,000 BASED
14 ON THE MOST RECENT FEDERAL DECENNIAL CENSUS.

15 * * *

16 SECTION 14. SECTION 1803-C OF THE ACT IS AMENDED TO READ:
17 SECTION 1803-C. ESTABLISHMENT OR DESIGNATION OF CONTRACTING
18 AUTHORITY.

19 (A) AUTHORIZATION.--[EXCEPT AS SET FORTH IN SUBSECTION (B),
20 A CITY, MUNICIPALITY OR HOME RULE COUNTY] THE FOLLOWING SHALL
21 APPLY:

22 (1) A CITY, MUNICIPALITY OR MUNICIPALITIES MAY ESTABLISH
23 OR DESIGNATE A CONTRACTING AUTHORITY TO DESIGNATE A ZONE
24 UNDER THIS ARTICLE.

25 (2) THE BOARD OF DIRECTORS OF THE CONTRACTING AUTHORITY
26 OF A ZONE DESIGNATED AFTER JULY 1, 2024, SHALL INCLUDE:

27 (I) MEMBERS WITH DIVERSE SKILL SETS IN THE AREAS OF
28 GOVERNMENT, LAW, FINANCE, BANKING, ECONOMIC DEVELOPMENT,
29 COMMUNITY DEVELOPMENT, PLANNING, PROJECT MANAGEMENT,
30 PROJECT ENGINEERING, REAL ESTATE DEVELOPMENT AND

1 ENVIRONMENTAL REMEDIATION;

2 (II) RESIDENTS OF THE ZONE AND BUSINESS OWNERS
3 LOCATED IN THE ZONE; AND

4 (III) RESIDENTS, BUSINESS OWNERS AND BUSINESS
5 REPRESENTATIVES FROM THE CITY, MUNICIPALITY OR
6 MUNICIPALITIES THAT CREATED THE ZONE.

7 [(B) DISTRESSED CITIES.--A CITY THAT IS A DISTRESSED CITY
8 UNDER THE ACT OF JULY 10, 1987 (P.L.246, NO.47), KNOWN AS THE
9 MUNICIPALITIES FINANCIAL RECOVERY ACT, AND IS LOCATED IN A HOME
10 RULE COUNTY MAY NOT ESTABLISH A CONTRACTING AUTHORITY UNDER THIS
11 ARTICLE.]

12 (C) COUNTIES.--THE HOME RULE COUNTY WHERE A DISTRESSED CITY
13 UNDER THE MUNICIPALITIES FINANCIAL RECOVERY ACT IS LOCATED MAY
14 ESTABLISH A CONTRACTING AUTHORITY TO DESIGNATE A ZONE UNDER THIS
15 ARTICLE WITHIN THE DISTRESSED CITY.]

16 SECTION 15. SECTION 1804-C(C), (D) AND (E) OF THE ACT ARE
17 AMENDED AND THE SECTION IS AMENDED BY ADDING SUBSECTIONS TO
18 READ:

19 SECTION 1804-C. APPROVAL.

20 * * *

21 (B.2) ADDITIONAL APPROVAL.--FOLLOWING THE EFFECTIVE DATE OF
22 THIS SUBSECTION, APPLICATIONS MAY BE APPROVED FOR:

23 (1) UP TO TWO ZONES FOR ONE OR MORE MUNICIPALITIES WITH
24 A POPULATION BETWEEN 7,000 AND 19,999 BASED ON THE MOST
25 RECENT FEDERAL DECENNIAL CENSUS.

26 (2) UP TO TWO ZONES FOR ONE OR MORE CITIES OR
27 MUNICIPALITIES WITH A POPULATION OF 20,000 OR MORE BASED ON
28 THE MOST RECENT FEDERAL DECENNIAL CENSUS.

29 [(C) APPROVAL SCHEDULE.--THE DEPARTMENT OF COMMUNITY AND
30 ECONOMIC DEVELOPMENT SHALL DEVELOP A SCHEDULE FOR THE APPROVAL

1 OF APPLICATIONS UNDER THIS SECTION AS FOLLOWS:

2 (1) FOLLOWING THE EFFECTIVE DATE OF THIS PARAGRAPH,
3 APPLICATIONS FOR TWO INITIAL CITY REVITALIZATION AND
4 IMPROVEMENT ZONES AND ONE PILOT ZONE MAY BE APPROVED.

5 (2) BEGINNING IN 2016, APPLICATIONS FOR TWO ADDITIONAL
6 ZONES MAY BE APPROVED EACH CALENDAR YEAR.]

7 * * *

8 (C.2) SINGLE APPROVAL.--AN APPLICATION FOR ONE ZONE LOCATED
9 IN A CITY OF THE THIRD CLASS INCORPORATED UNDER OPTIONAL CHARTER
10 WHICH IS LOCATED IN A HOME RULE COUNTY OF THE THIRD CLASS, IS
11 ITS COUNTY'S SEAT AND HAS A POPULATION OF BETWEEN 93,500 AND
12 95,500 BASED ON THE 2020 FEDERAL DECENNIAL CENSUS MAY BE
13 APPROVED IN THE FIRST YEAR AFTER THE EFFECTIVE DATE OF THIS
14 SUBSECTION. A CONTRACTING AUTHORITY DESIGNATED UNDER SECTION
15 1803-C BY A CITY OF THE THIRD CLASS INCORPORATED UNDER OPTIONAL
16 CHARTER WHICH IS LOCATED IN A HOME RULE COUNTY OF THE THIRD
17 CLASS, IS ITS COUNTY'S SEAT AND HAS A POPULATION OF BETWEEN
18 93,500 AND 95,500 BASED ON THE 2020 FEDERAL DECENNIAL CENSUS
19 SHALL HAVE A BOARD OF DIRECTORS CONSISTING OF NINE MEMBERS. THE
20 FOLLOWING SHALL APPLY:

21 (1) ONE VOTING MEMBER SHALL BE APPOINTED BY THE MAYOR
22 AND SHALL SERVE A FIVE-YEAR TERM.

23 (2) TWO VOTING MEMBERS SHALL BE APPOINTED BY THE STATE
24 REPRESENTATIVE OF THE 1ST DISTRICT. THE FOLLOWING APPLY:

25 (I) ONE MEMBER APPOINTED UNDER THIS PARAGRAPH SHALL
26 SERVE A TWO-YEAR TERM.

27 (II) ONE MEMBER APPOINTED UNDER THIS PARAGRAPH SHALL
28 SERVE A FIVE-YEAR TERM.

29 (3) TWO VOTING MEMBERS SHALL BE APPOINTED BY THE STATE
30 REPRESENTATIVE OF THE 2ND DISTRICT. THE FOLLOWING APPLY:

1 (I) ONE MEMBER APPOINTED UNDER THIS PARAGRAPH SHALL
2 SERVE A TWO-YEAR TERM.

3 (II) ONE MEMBER APPOINTED UNDER THIS PARAGRAPH SHALL
4 SERVE A THREE-YEAR TERM.

5 (4) FOUR VOTING MEMBERS SHALL BE APPOINTED BY THE
6 SENATOR FROM THE 49TH DISTRICT.

7 (I) ONE MEMBER APPOINTED UNDER THIS PARAGRAPH SHALL
8 SERVE A TWO-YEAR TERM.

9 (II) TWO MEMBERS APPOINTED UNDER THIS PARAGRAPH
10 SHALL SERVE THREE-YEAR TERMS.

11 (III) ONE MEMBER APPOINTED UNDER THIS PARAGRAPH
12 SHALL SERVE A FIVE-YEAR TERM.

13 (5) TERMS SPECIFIED IN PARAGRAPHS (1), (2), (3) AND (4)
14 SHALL COMMENCE UPON THE DATE OF APPOINTMENT. MEMBERS MAY BE
15 REAPPOINTED FOR FIVE-YEAR TERMS FOLLOWING THE EXPIRATION OF
16 THE INITIAL APPOINTED TERM.

17 (6) MEMBERS SERVE WITHOUT COMPENSATION.

18 (7) A VACANCY ON THE BOARD SHALL BE FILLED BY THE SAME
19 APPOINTING AUTHORITY AS THE INITIAL APPOINTMENT IN ACCORDANCE
20 WITH PARAGRAPHS (1), (2), (3) AND (4).

21 (D) [TIME] SCHEDULE.--THE DEPARTMENT OF COMMUNITY AND
22 ECONOMIC DEVELOPMENT SHALL ESTABLISH [AND PUBLISH] APPLICATION
23 DEADLINES [IN THE PENNSYLVANIA BULLETIN AND] AND PUBLISH THE
24 DEADLINES ON ITS PUBLICLY ACCESSIBLE INTERNET WEBSITE.

25 (E) REAPPLICATION.--IF AN APPLICATION IS NOT APPROVED UNDER
26 THIS SECTION, THE APPLICANT MAY REVISE [AND RESUBMIT] THE
27 APPLICATION AND PLAN AND REAPPLY FOR APPROVAL.

28 * * *

29 SECTION 16. SECTION 1809-C(A) AND (B) OF THE ACT ARE AMENDED
30 AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

1 SECTION 1809-C. REPORTS.

2 (A) STATE ZONE REPORT.--NO LATER THAN JUNE 15 FOLLOWING THE
3 BASELINE YEAR AND EACH YEAR THEREAFTER, [OR BY AUGUST 31 FOR
4 REPORTS DUE IN 2020,] EACH QUALIFIED BUSINESS SHALL FILE A
5 REPORT WITH THE DEPARTMENT IN A FORM OR MANNER REQUIRED BY THE
6 DEPARTMENT WHICH INCLUDES ALL OF THE FOLLOWING:

7 (1) AMOUNT OF EACH ELIGIBLE TAX WHICH WAS PAID TO THE
8 COMMONWEALTH BY THE QUALIFIED BUSINESS IN THE PRIOR CALENDAR
9 YEAR.

10 (2) AMOUNT OF EACH ELIGIBLE TAX REFUND RECEIVED FROM THE
11 COMMONWEALTH IN THE PRIOR CALENDAR YEAR BY THE QUALIFIED
12 BUSINESS.

13 (3) THE NUMBER OF NEW JOBS CREATED BY THE QUALIFIED
14 BUSINESS FOR THE PRIOR CALENDAR YEAR IN THE ZONE.

15 (4) THE TOTAL WAGES AND SALARIES FOR EMPLOYEES OF THE
16 QUALIFIED BUSINESS FOR THE PRIOR CALENDAR YEAR IN THE ZONE.

17 (5) THE AMOUNT OF PRIVATE CAPITAL INVESTMENT MADE BY THE
18 QUALIFIED BUSINESS IN THE PRIOR CALENDAR YEAR IN THE ZONE.

19 (A.1) INFORMATION.--NOTWITHSTANDING ANY OTHER PROVISION OF
20 LAW, THE DEPARTMENT MAY PROVIDE INFORMATION OBTAINED UNDER
21 SUBSECTION (A) (3), (4) AND (5) TO THE DEPARTMENT OF COMMUNITY
22 AND ECONOMIC DEVELOPMENT.

23 (B) LOCAL ZONE REPORT.--NO LATER THAN JUNE 15 FOLLOWING THE
24 BASELINE YEAR AND FOR EACH YEAR THEREAFTER, [OR BY AUGUST 31 FOR
25 REPORTS DUE IN 2020,] EACH QUALIFIED BUSINESS SHALL FILE A
26 REPORT WITH THE LOCAL TAXING AUTHORITY WHICH INCLUDES ALL OF THE
27 FOLLOWING:

28 (1) AMOUNT OF EACH ELIGIBLE TAX WHICH WAS PAID TO THE
29 LOCAL TAXING AUTHORITY BY THE QUALIFIED BUSINESS IN THE PRIOR
30 CALENDAR YEAR.

1 (2) AMOUNT OF EACH ELIGIBLE TAX REFUND RECEIVED FROM THE
2 LOCAL TAXING AUTHORITY IN THE PRIOR CALENDAR YEAR BY THE
3 QUALIFIED BUSINESS.

4 * * *

5 SECTION 16.1. SECTION 1812-C(A) AND (C) OF THE ACT ARE
6 AMENDED TO READ:

7 SECTION 1812-C. TRANSFERS.

8 (A) OFFICE.--WITHIN TEN DAYS OF RECEIVING THE CERTIFICATION
9 FROM THE DEPARTMENT UNDER SECTION 1811-C, THE OFFICE SHALL
10 DIRECT THE STATE TREASURER TO TRANSFER THE AMOUNT OF CERTIFIED
11 ELIGIBLE STATE ZONE TAX FROM THE GENERAL FUND TO EACH FUND OF A
12 CONTRACTING AUTHORITY. THE FOLLOWING SHALL APPLY:

13 (1) FOR ZONES DESIGNATED AFTER JULY 1, 2024, THE OFFICE
14 SHALL DIRECT THE STATE TREASURER TO TRANSFER THE AMOUNT OF
15 CERTIFIED ELIGIBLE STATE ZONE TAX UP TO THE MAXIMUM OF
16 \$15,000,000 FROM THE GENERAL FUND TO EACH FUND OF A
17 CONTRACTING AUTHORITY WITHIN 10 DAYS OF RECEIVING THE
18 CERTIFICATION FROM THE DEPARTMENT UNDER SECTION 1811-C.

19 (2) THE MAXIMUM AMOUNT OF CERTIFIED ELIGIBLE STATE ZONE
20 TAX UNDER PARAGRAPH (1) SHALL BE ANNUALLY ADJUSTED BEGINNING
21 JULY 1, 2025, AND EACH JULY THEREAFTER TO REFLECT ANY UPWARD
22 CHANGE IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS
23 (CPI-U) FOR THE PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD
24 AREA FOR THE PRIOR 12-MONTH PERIOD.

25 * * *

26 [(C) NOTIFICATION.--THE FOLLOWING SHALL APPLY:

27 (1) IF THE TRANSFERS UNDER SUBSECTION (A) AND SECTION
28 1811-C(C) ARE INSUFFICIENT TO MAKE PAYMENTS ON THE BONDS
29 ISSUED UNDER SECTION 1813-C(A) (1) FOR THE CALENDAR YEAR WHEN
30 THE TRANSFERS ARE MADE, THE CONTRACTING AUTHORITY SHALL

1 NOTIFY THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT,
2 THE OFFICE AND THE DEPARTMENT OF THE AMOUNT OF THE DEFICIENCY
3 AND MAY REQUEST THE ADDITIONAL MONEY NECESSARY TO MAKE
4 PAYMENTS ON THE BONDS.

5 (2) THE NOTIFICATION UNDER PARAGRAPH (1) MUST BE
6 ACCOMPANIED BY A DETAILED ACCOUNT OF THE CONTRACTING
7 AUTHORITY'S EXPENDITURES AND THE CALCULATION WHICH RESULTED
8 IN THE REQUEST FOR ADDITIONAL MONEY. THE DEPARTMENT OF
9 COMMUNITY AND ECONOMIC DEVELOPMENT, THE OFFICE OR THE
10 DEPARTMENT MAY REQUEST ADDITIONAL INFORMATION FROM THE
11 CONTRACTING AUTHORITY AND SHALL JOINTLY VERIFY THE PROPER
12 AMOUNT OF MONEY NECESSARY TO MAKE THE PAYMENTS ON THE BONDS.

13 (3) NOTWITHSTANDING 53 PA.C.S. § 5607(E) (RELATING TO
14 PURPOSES AND POWERS), WITHIN 90 DAYS OF THE DATE OF THE
15 NOTIFICATION REQUEST, THE OFFICE SHALL DIRECT THE STATE
16 TREASURER TO ESTABLISH A RESTRICTED ACCOUNT WITHIN THE
17 GENERAL FUND. THE OFFICE SHALL DIRECT THE STATE TREASURER TO
18 TRANSFER THE AMOUNT VERIFIED UNDER PARAGRAPH (2) FROM THE
19 GENERAL FUND TO THE RESTRICTED ACCOUNT FOR THE USE OF THE
20 CONTRACTING AUTHORITY TO MAKE PAYMENTS ON THE BONDS ISSUED
21 UNDER SECTION 1813-C(A) (1).

22 (4) MONEY TRANSFERRED UNDER PARAGRAPH (3):

23 (I) SHALL BE LIMITED TO 50% OF THE STATE TAX
24 BASELINE AMOUNT FOR THE CALENDAR YEAR PRIOR TO THE DATE
25 THE AMOUNT IS VERIFIED UNDER PARAGRAPH (2), NOT TO EXCEED
26 \$7,500,000; AND

27 (II) MUST OCCUR IN THE FIRST SEVEN CALENDAR YEARS
28 FOLLOWING THE BASELINE YEAR.

29 (4.1) UNDER EXTRAORDINARY CIRCUMSTANCES, A CONTRACTING
30 AUTHORITY MAY REQUEST MONEY IN EXCESS OF THE LIMITATIONS IN

1 PARAGRAPH (4) (I). THE DEPARTMENT OF COMMUNITY AND ECONOMIC
2 DEVELOPMENT, THE OFFICE AND THE DEPARTMENT SHALL DETERMINE
3 WHETHER THE CIRCUMSTANCES MERIT ADDITIONAL MONEY AND THE
4 AMOUNT TO BE TRANSFERRED. THE MONEY SHALL BE TRANSFERRED
5 UNDER THE PROCEDURE UNDER THIS SECTION.

6 (5) MONEY TRANSFERRED UNDER PARAGRAPH (3) SHALL BE
7 REPAID TO THE GENERAL FUND BY THE CONTRACTING AUTHORITY. IF
8 MONEY TRANSFERRED UNDER PARAGRAPH (3) IS NOT REPAID TO THE
9 GENERAL FUND BY THE CONTRACTING AUTHORITY WITHIN 12 CALENDAR
10 YEARS FOLLOWING THE BASELINE YEAR, THE CITY, MUNICIPALITY OR
11 HOME RULE COUNTY WHICH ESTABLISHED OR DESIGNATED THE
12 CONTRACTING AUTHORITY SHALL PAY THE MONEY NOT REPAID TO THE
13 GENERAL FUND PLUS AN ADDITIONAL PENALTY OF 10% OF THE AMOUNT
14 OUTSTANDING ON THE DATE OF THE FINAL PAYMENT ON THE BONDS
15 ORIGINALLY ISSUED UNDER SECTION 1813-C(A) (1).]

16 SECTION 17. SECTION 1813-C(C) (1) OF THE ACT IS AMENDED AND
17 THE SUBSECTION IS AMENDED BY ADDING A PARAGRAPH TO READ:
18 SECTION 1813-C. RESTRICTIONS.

19 (C) EXCESS MONEY.--

20 (1) EXCEPT AS SET FORTH IN PARAGRAPH [(4),] (4) OR (5),
21 FOR THE FIRST FIVE CALENDAR YEARS OF THE ZONE DESIGNATED
22 AFTER JULY 1, 2024, IF THE AMOUNT OF MONEY TRANSFERRED TO THE
23 FUND UNDER SECTIONS 1811-C(C) AND 1812-C IN ANY ONE CALENDAR
24 YEAR EXCEEDS THE MONEY UTILIZED, BUDGETED OR APPROPRIATED BY
25 OFFICIAL RESOLUTION OF THE CONTRACTING AUTHORITY UNDER THIS
26 SECTION IN THAT CALENDAR YEAR, THE CONTRACTING AUTHORITY MAY
27 CARRY FORWARD ANY EXCESS UP TO A TOTAL SUM OF \$3,000,000 FOR
28 THE FIVE-YEAR CALENDAR PERIOD. FOR THE SIXTH CALENDAR YEAR
29 AND EACH CALENDAR YEAR THEREAFTER, IF THE AMOUNT OF MONEY
30 TRANSFERRED TO THE FUND UNDER SECTIONS 1811-C(C) AND 1812-C

1 IN ANY ONE CALENDAR YEAR EXCEEDS THE MONEY UTILIZED, BUDGETED
2 OR APPROPRIATED BY OFFICIAL RESOLUTION OF THE CONTRACTING
3 AUTHORITY UNDER THIS SECTION IN THAT CALENDAR YEAR, THE
4 CONTRACTING AUTHORITY SHALL SUBMIT BY APRIL 15 FOLLOWING THE
5 END OF THE CALENDAR YEAR ANY MONEY NOT UTILIZED, BUDGETED OR
6 APPROPRIATED BY OFFICIAL RESOLUTION OF THE CONTRACTING
7 AUTHORITY TO THE STATE TREASURER FOR DEPOSIT INTO THE GENERAL
8 FUND.

9 * * *

10 (5) OTHER THAN A ZONE DESCRIBED IN PARAGRAPH (1) OR (4),
11 FOR A ZONE DESIGNATION PRIOR TO JULY 1, 2024, IF THE AMOUNT
12 OF MONEY TRANSFERRED TO THE FUND UNDER SECTIONS 1811-C(C) AND
13 1812-C, IN ANY ONE CALENDAR YEAR EXCEEDS THE MONEY UTILIZED,
14 BUDGETED OR APPROPRIATED BY OFFICIAL RESOLUTION OF THE
15 CONTRACTING AUTHORITY UNDER THIS SECTION IN THAT CALENDAR
16 YEAR, THE CONTRACTING AUTHORITY SHALL SUBMIT ANY MONEY NOT
17 UTILIZED, BUDGETED OR APPROPRIATED BY OFFICIAL RESOLUTION TO
18 THE STATE TREASURER FOR DEPOSIT INTO THE GENERAL FUND BY
19 APRIL 15 OF THE FOLLOWING CALENDAR YEAR.

20 * * *

21 SECTION 18. SECTIONS 1814-C(A) AND (B) AND 1819-C(A)
22 INTRODUCTORY PARAGRAPH OF THE ACT ARE AMENDED TO READ:

23 SECTION 1814-C. TRANSFER OF PROPERTY.

24 (A) PROPERTY.--[PARCELS IN A ZONE] A PARCEL OR PARCELS IN A
25 ZONE WHERE NO ZONE FUND DOLLARS WERE EXPENDED UPON THE PARCEL OR
26 PARCELS OR WHERE A FACILITY HAS NOT BEEN CONSTRUCTED,
27 RECONSTRUCTED OR RENOVATED USING MONEY UNDER THIS ARTICLE MAY BE
28 TRANSFERRED OUT OF THE ZONE, IF THE CONTRACTING AUTHORITY
29 PROVIDES A NOTARIZED CERTIFICATION, CONFIRMED IN THE ANNUAL
30 AUDIT REQUIRED UNDER SECTION 1807-C(C), THAT NO FUND DOLLARS

1 WERE USED ON THE [PROPERTY] PARCEL OR PARCELS. ADDITIONAL
2 ACREAGE, NOT TO EXCEED THE ACREAGE TRANSFERRED OUT OF THE ZONE,
3 MAY BE ADDED TO THE ZONE.

4 * * *

5 (B) [APPROVAL.--A TRANSFER UNDER SUBSECTIONS (A) AND (A.2)
6 MUST BE APPROVED BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC
7 DEVELOPMENT IN CONSULTATION WITH THE OFFICE AND THE DEPARTMENT.]
8 REVIEW AND APPROVAL.--THE FOLLOWING APPLY:

9 (1) A TRANSFER MAY BE REVIEWED AND APPROVED BY THE
10 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT IN
11 CONSULTATION WITH THE OFFICE AND THE DEPARTMENT. THE
12 CONTRACTING AUTHORITY SHALL SUBMIT A WRITTEN REQUEST TO THE
13 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO APPROVE
14 THE TRANSFER OF A PARCEL OR PARCELS. IN ADDITION TO THE
15 WRITTEN REQUEST, THE CONTRACTING AUTHORITY SHALL SUBMIT THE
16 FOLLOWING TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC
17 DEVELOPMENT:

18 (I) THE CERTIFICATION UNDER SUBSECTION (A).

19 (II) A RESOLUTION OF THE CONTRACTING AUTHORITY BOARD
20 APPROVING THE TRANSFER OF THE PARCEL OR PARCELS.

21 (III) ANY ADDITIONAL INFORMATION AS REQUIRED BY THE
22 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, THE
23 OFFICE OR THE DEPARTMENT.

24 (2) A DETERMINATION REGARDING A REQUEST TO APPROVE A
25 TRANSFER OF A PARCEL OR PARCELS SHALL BE MADE WITHIN 90 DAYS
26 OF RECEIPT OF THE WRITTEN REQUEST FROM THE CONTRACTING
27 AUTHORITY BOARD.

28 SECTION 1819-C. REVIEW.

29 (A) DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.--BY
30 DECEMBER 31, 2021, AND ANNUALLY EACH MARCH 31 THEREAFTER, THE

1 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT SHALL, IN
2 COOPERATION WITH THE OFFICE AND THE DEPARTMENT, COMPLETE A
3 REVIEW AND ANALYSIS OF ALL ACTIVE ZONES. THE REVIEW SHALL
4 INCLUDE AN ANALYSIS OF:

5 * * *

6 SECTION 19. THE DEFINITIONS OF "CLOSING DATE" AND "RURAL
7 GROWTH INVESTMENT" IN SECTION 1822-G OF THE ACT ARE AMENDED AND
8 THE SECTION IS AMENDED BY ADDING DEFINITIONS TO READ:

9 SECTION 1822-G. DEFINITIONS.

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

13 * * *

14 "CLOSING DATE." [THE]

15 (1) WITH RESPECT TO PROGRAM ONE TAX CREDIT AUTHORITY,
16 THE DATE ON WHICH A RURAL GROWTH FUND HAS COLLECTED ALL OF
17 THE AMOUNTS SPECIFIED BY SECTION 1825-G.

18 (2) WITH RESPECT TO PROGRAM TWO TAX CREDIT AUTHORITY,
19 EITHER:

20 (I) THE DATE ON WHICH A RURAL GROWTH FUND HAS
21 COLLECTED ALL OF THE AMOUNTS SPECIFIED UNDER 1825-G; OR

22 (II) INVESTMENT AUTHORITY REALLOCATED UNDER SECTION
23 1826-G(B) OR 1833-G(C).

24 * * *

25 "PROGRAM ONE TAX CREDIT AUTHORITY." INVESTMENT AUTHORITY
26 ISSUED BY THE DEPARTMENT BEFORE JANUARY 1, 2024.

27 "PROGRAM TWO TAX CREDIT AUTHORITY." INVESTMENT AUTHORITY
28 ISSUED BY THE DEPARTMENT ON OR AFTER JANUARY 1, 2024.

29 * * *

30 "RURAL GROWTH INVESTMENT." A CAPITAL OR EQUITY INVESTMENT IN

1 A RURAL BUSINESS OR ANY LOAN TO A RURAL BUSINESS WITH A STATED
2 MATURITY AT LEAST ONE YEAR AFTER THE DATE OF ISSUANCE. A SECURED
3 LOAN OR A REVOLVING LINE OF CREDIT PROVIDED TO A RURAL BUSINESS
4 IS A RURAL GROWTH INVESTMENT ONLY IF THE GROWTH FUND OBTAINS AN
5 AFFIDAVIT FROM THE PRESIDENT OR CHIEF EXECUTIVE OFFICER OR
6 EQUIVALENT POSITION OF THE RURAL BUSINESS ATTESTING THAT THE
7 RURAL BUSINESS SOUGHT AND WAS DENIED SIMILAR FINANCING FROM A
8 COMMERCIAL BANK. THE TERM DOES NOT INCLUDE ANY INVESTMENT USED
9 BY A RURAL BUSINESS OR ITS AFFILIATES TO REFINANCE A PRIOR RURAL
10 GROWTH INVESTMENT MADE WITH PROGRAM ONE TAX CREDIT AUTHORITY.

11 * * *

12 SECTION 20. SECTIONS 1824-G(F) AND 1830-G(A) OF THE ACT ARE
13 AMENDED TO READ:

14 SECTION 1824-G. RURAL GROWTH FUNDS.

15 * * *

16 (F) LIMITATION.--THE DEPARTMENT MAY NOT APPROVE MORE THAN
17 \$50,000,000 IN INVESTMENT AUTHORITY WITH RESPECT TO PROGRAM ONE
18 TAX CREDIT AUTHORITY AND \$50,000,000 IN INVESTMENT AUTHORITY
19 WITH RESPECT TO PROGRAM TWO TAX CREDIT AUTHORITY UNDER THIS
20 PART.

21 SECTION 1830-G. CLAIMING THE TAX CREDIT.

22 (A) PRESENTATION.--

23 (1) BEGINNING JULY 1, 2020, WITH RESPECT TO PROGRAM ONE
24 TAX CREDIT AUTHORITY, UPON PRESENTING A TAX CREDIT
25 CERTIFICATE TO THE DEPARTMENT OF REVENUE, A BUSINESS FIRM MAY
26 CLAIM A TAX CREDIT OF UP TO 20% OF THE AMOUNT AWARDED UNDER
27 SECTION 1829-G FOR EACH OF THE TAXABLE YEARS THAT INCLUDES
28 THE THIRD, FOURTH, FIFTH, SIXTH AND SEVENTH ANNIVERSARIES OF
29 THE CLOSING DATE, EXCLUSIVE OF ANY TAX CREDIT AMOUNTS CARRIED
30 OVER UNDER SECTION 1831-G(B).

1 (2) BEGINNING JULY 1, 2024, WITH RESPECT TO PROGRAM TWO
2 TAX CREDIT AUTHORITY, UPON PRESENTING A TAX CREDIT
3 CERTIFICATE TO THE DEPARTMENT OF REVENUE, A BUSINESS FIRM MAY
4 CLAIM A TAX CREDIT OF UP TO 20% OF THE AMOUNT AWARDED UNDER
5 SECTION 1829-G FOR EACH OF THE TAXABLE YEARS THAT INCLUDES
6 THE THIRD, FOURTH, FIFTH, SIXTH AND SEVENTH ANNIVERSARIES OF
7 THE CLOSING DATE, EXCLUSIVE OF ANY TAX CREDIT AMOUNTS CARRIED
8 OVER UNDER SECTION 1831-G(B).

9 * * *

10 SECTION 21. SECTION 1833-G(A) (4) OF THE ACT IS AMENDED AND
11 THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:
12 SECTION 1833-G. REVOCATION OF TAX CREDIT CERTIFICATES.

13 (A) REVOCATION.--THE DEPARTMENT SHALL REVOKE A TAX CREDIT
14 CERTIFICATE AWARDED UNDER SECTION 1829-G IF ANY OF THE FOLLOWING
15 OCCUR WITH RESPECT TO A RURAL GROWTH FUND BEFORE THE RURAL
16 GROWTH FUND EXITS THE PROGRAM UNDER SECTION 1834-G:

17 * * *

18 (4) THE FOLLOWING APPLY:

19 (I) WITH RESPECT TO PROGRAM ONE TAX CREDIT
20 AUTHORITY, THE RURAL GROWTH FUND INVESTS MORE THAN 20% OF
21 ITS INVESTMENT AUTHORITY, EXCLUSIVE OF RECEIPTS OR
22 REDEEMED RURAL GROWTH INVESTMENTS, IN THE SAME RURAL
23 BUSINESS, INCLUDING AMOUNTS INVESTED IN AFFILIATES OF THE
24 RURAL BUSINESS.

25 (II) WITH RESPECT TO PROGRAM TWO TAX CREDIT
26 AUTHORITY, THE RURAL GROWTH FUND INVESTS MORE THAN
27 \$5,000,000 OF ITS INVESTMENT AUTHORITY, EXCLUSIVE OF
28 RECEIPTS OR REDEEMED RURAL GROWTH INVESTMENTS, IN THE
29 SAME RURAL BUSINESS, INCLUDING AMOUNTS INVESTED IN
30 AFFILIATES OF THE RURAL BUSINESS.

1 * * *

2 (D) RURAL GROWTH INVESTMENT CAP.--WITH RESPECT TO ANY ONE
3 RURAL BUSINESS, THE MAXIMUM AMOUNT OF RURAL GROWTH INVESTMENTS
4 MADE IN THAT BUSINESS, ON A COLLECTIVE BASIS WITH ALL OF ITS
5 AFFILIATES THAT MAY BE COUNTED TOWARD THE SATISFACTION OF
6 SUBSECTION (A), SHALL BE \$15,000,000, EXCLUSIVE OF RECEIPTS OF
7 REDEEMED RURAL GROWTH INVESTMENTS.

8 SECTION 22. SECTIONS 1904-A(C) AND 1905-A(A) OF THE ACT ARE
9 AMENDED TO READ:

10 SECTION 1904-A. TAX CREDIT.--* * *

11 (C) THE TOTAL AMOUNT OF TAX CREDIT GRANTED FOR PROGRAMS
12 APPROVED UNDER THIS ACT SHALL NOT EXCEED [~~THIRTY-SIX MILLION~~
13 ~~DOLLARS (\$36,000,000)] SEVENTY-TWO MILLION DOLLARS (\$72,000,000)~~

14 OF TAX CREDIT IN ANY FISCAL YEAR.

15 * * *

16 SECTION 1905-A. GRANT OF TAX CREDIT.--(A) THE DEPARTMENT OF
17 REVENUE SHALL GRANT A TAX CREDIT AGAINST ANY TAX DUE UNDER
18 ARTICLE III, IV, VI, VII, VIII, IX OR XV OF THIS ACT, OR ANY TAX
19 SUBSTITUTED IN LIEU THEREOF IN AN AMOUNT WHICH SHALL NOT EXCEED
20 [~~FIFTY-FIVE~~] SIXTY-FIVE PER CENT OF THE TOTAL AMOUNT CONTRIBUTED
21 DURING THE TAXABLE YEAR BY A BUSINESS FIRM OR TWENTY-FIVE PER
22 CENT OF QUALIFIED INVESTMENTS BY A PRIVATE COMPANY IN PROGRAMS
23 APPROVED PURSUANT TO SECTION 1904-A OF THIS ACT: PROVIDED, THAT
24 A TAX CREDIT OF UP TO [~~SEVENTY-FIVE~~] NINETY PER CENT OF THE
25 TOTAL AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY A BUSINESS
26 FIRM OR UP TO THIRTY-FIVE PER CENT OF THE AMOUNT OF QUALIFIED
27 INVESTMENTS BY A PRIVATE COMPANY MAY BE ALLOWED FOR INVESTMENT
28 IN PROGRAMS WHERE ACTIVITIES FALL WITHIN THE SCOPE OF SPECIAL
29 PROGRAM PRIORITIES AS DEFINED WITH THE APPROVAL OF THE GOVERNOR
30 IN REGULATIONS PROMULGATED BY THE SECRETARY, AND PROVIDED

1 FURTHER, THAT A TAX CREDIT OF UP TO [SEVENTY-FIVE] NINETY PER
2 CENT OF THE TOTAL AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY
3 A BUSINESS FIRM IN COMPREHENSIVE SERVICE PROJECTS WITH FIVE-YEAR
4 COMMITMENTS AND UP TO [EIGHTY] NINETY-FIVE PER CENT OF THE TOTAL
5 AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY A BUSINESS FIRM IN
6 COMPREHENSIVE SERVICE PROJECTS WITH SIX-YEAR OR LONGER
7 COMMITMENTS SHALL BE GRANTED, AND PROVIDED FURTHER, THAT A TAX
8 CREDIT OF UP TO [SEVENTY-FIVE] NINETY PER CENT OF THE TOTAL
9 AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY A BUSINESS FIRM IN
10 VETERANS' HOUSING ASSISTANCE APPROVED UNDER SECTION 1904-A(B.3)
11 SHALL BE GRANTED. SUCH CREDIT SHALL NOT EXCEED [FIVE HUNDRED
12 THOUSAND DOLLARS (\$500,000)] ONE MILLION DOLLARS (\$1,000,000)
13 ANNUALLY FOR CONTRIBUTIONS OR INVESTMENTS TO FEWER THAN FOUR
14 PROJECTS OR [ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS
15 (\$1,250,000)] TWO MILLION FIVE HUNDRED THOUSAND DOLLARS
16 (\$2,500,000) ANNUALLY FOR CONTRIBUTIONS OR INVESTMENTS TO FOUR
17 OR MORE PROJECTS. NO TAX CREDIT SHALL BE GRANTED TO ANY BANK,
18 BANK AND TRUST COMPANY, INSURANCE COMPANY, TRUST COMPANY,
19 NATIONAL BANK, SAVINGS ASSOCIATION, MUTUAL SAVINGS BANK OR
20 BUILDING AND LOAN ASSOCIATION FOR ACTIVITIES THAT ARE A PART OF
21 ITS NORMAL COURSE OF BUSINESS. ANY TAX CREDIT NOT USED IN THE
22 PERIOD THE CONTRIBUTION OR INVESTMENT WAS MADE MAY BE CARRIED
23 OVER FOR THE NEXT FIVE SUCCEEDING CALENDAR OR FISCAL YEARS UNTIL
24 THE FULL CREDIT HAS BEEN ALLOWED. A BUSINESS FIRM SHALL NOT BE
25 ENTITLED TO CARRY BACK OR OBTAIN A REFUND OF AN UNUSED TAX
26 CREDIT. THE TOTAL AMOUNT OF ALL TAX CREDITS ALLOWED PURSUANT TO
27 THIS ACT SHALL NOT EXCEED [THIRTY-SIX MILLION DOLLARS
28 (\$36,000,000)] SEVENTY-TWO MILLION DOLLARS (\$72,000,000) IN ANY
29 ONE FISCAL YEAR. OF THAT AMOUNT, TWO MILLION DOLLARS
30 (\$2,000,000) SHALL BE ALLOCATED EXCLUSIVELY FOR PASS-THROUGH

1 ENTITIES. HOWEVER, IF THE TOTAL AMOUNTS ALLOCATED TO EITHER THE
2 GROUP OF APPLICANTS, EXCLUSIVE OF PASS-THROUGH ENTITIES, OR THE
3 GROUP OF PASS-THROUGH ENTITY APPLICANTS IS NOT APPROVED IN ANY
4 FISCAL YEAR, THE UNUSED PORTION SHALL BECOME AVAILABLE FOR USE
5 BY THE OTHER GROUP OF QUALIFYING TAXPAYERS.

6 * * *

7 SECTION 23. THE ACT IS AMENDED BY ADDING ARTICLES TO READ:

8 ARTICLE XIX-J

9 529 SAVINGS ACCOUNT EMPLOYER

10 MATCHING CONTRIBUTION TAX CREDIT

11 SECTION 1901-J. SCOPE OF ARTICLE.

12 THIS ARTICLE RELATES TO THE 529 SAVINGS ACCOUNT EMPLOYER
13 MATCHING CONTRIBUTION TAX CREDIT PROGRAM.

14 SECTION 1902-J. DEFINITIONS.

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

18 "ABLE ACCOUNT." AN ACCOUNT UNDER THE ACT OF APRIL 18, 2016
19 (P.L.128, NO.17), KNOWN AS THE PENNSYLVANIA ABLE ACT.

20 "ABLE ACCOUNT CONTRACT." AS DEFINED IN SECTION 102 OF THE
21 PENNSYLVANIA ABLE ACT.

22 "ACCOUNT." AN ACCOUNT OWNED BY AN EMPLOYEE WHO HAS ENTERED
23 INTO A TUITION ACCOUNT PROGRAM CONTRACT UNDER THE ACT OF APRIL
24 3, 1992 (P.L.28, NO.11), KNOWN AS THE TUITION ACCOUNT PROGRAMS
25 AND COLLEGE SAVINGS BOND ACT, OR AN ABLE ACCOUNT CONTRACT, OR A
26 TUITION ACCOUNT PROGRAM CONTRACT OR AN ABLE ACCOUNT PROGRAM
27 ADMINISTERED BY ANOTHER STATE, NOTWITHSTANDING THE NAMED
28 BENEFICIARY OF THE ACCOUNT.

29 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

30 "MATCHING CONTRIBUTION." A DEPOSIT OF MONEY BY AN EMPLOYER

1 INTO AN EMPLOYEE-OWNED ACCOUNT DURING THE TAX YEAR THAT DOES NOT
2 EXCEED THE AMOUNT OF DEPOSITS MADE INTO THAT ACCOUNT BY THE
3 EMPLOYEE DURING THE SAME TAX YEAR.

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

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

6 (2) A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION
7 301(N.1).

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

9 "STATE TAX LIABILITY." ANY OF THE TAXES DUE UNDER ARTICLE
10 III, IV, VII, VIII, IX OR XV. THE TERM SHALL NOT INCLUDE ANY TAX
11 WITHHELD BY AN EMPLOYER FROM AN EMPLOYEE UNDER ARTICLE III.

12 "TAX CREDIT." THE 529 SAVINGS ACCOUNT EMPLOYER MATCHING
13 CONTRIBUTION TAX CREDIT ESTABLISHED UNDER SECTION 1903-J.

14 "TUITION ACCOUNT PROGRAM CONTRACT." AS DEFINED IN SECTION
15 302 OF THE TUITION ACCOUNT PROGRAMS AND COLLEGE SAVINGS BOND
16 ACT.

17 SECTION 1903-J. CREDIT FOR EMPLOYER MATCHING CONTRIBUTIONS TO
18 TUITION SAVINGS ACCOUNTS AND ABLE ACCOUNTS.

19 (A) TAX CREDIT.--FOR TAXABLE YEARS BEGINNING AFTER DECEMBER
20 31, 2024, AND ENDING BEFORE JANUARY 1, 2030, AN EMPLOYER THAT
21 MAKES A MATCHING CONTRIBUTION TO AN ACCOUNT OWNED BY AN EMPLOYEE
22 UNDER THIS ARTICLE OR AN ABLE ACCOUNT MAY CLAIM A TAX CREDIT
23 AGAINST THE EMPLOYER'S STATE TAX LIABILITY.

24 (B) AMOUNT OF TAX CREDIT.--THE AMOUNT OF THE TAX CREDIT
25 UNDER SUBSECTION (A) SHALL BE EQUAL TO 25% OF THE EMPLOYER'S
26 AGGREGATE MATCHING CONTRIBUTIONS MADE TO ACCOUNTS OWNED BY
27 EMPLOYEES DURING THE TAX YEAR.

28 (C) TAX CREDIT LIMIT FOR EMPLOYERS.--THE TOTAL AMOUNT OF
29 MATCHING CONTRIBUTIONS TO ACCOUNTS OWNED BY EMPLOYEES FOR WHICH
30 AN EMPLOYER MAY CLAIM A TAX CREDIT SHALL BE NO MORE THAN \$500

1 PER EMPLOYEE DURING THE TAX YEAR.

2 (D) PROOF OF MATCHING CONTRIBUTION.--IN ORDER TO RECEIVE THE
3 TAX CREDIT, AN EMPLOYER SHALL PROVIDE THE DEPARTMENT WITH PROOF
4 THAT THE EMPLOYER HAS MADE QUALIFYING MATCHING CONTRIBUTIONS TO
5 EMPLOYEE-OWNED ACCOUNTS UNDER THIS ARTICLE AT THE TIME OF FILING
6 THE EMPLOYER'S TAX RETURN.

7 (E) PROOF OF EMPLOYEE CONTRIBUTION.--IN A MANNER PRESCRIBED
8 BY THE EMPLOYER, AN EMPLOYEE SHALL PROVIDE TO THE EMPLOYER
9 EVIDENCE OF THE TOTAL AMOUNT DEPOSITED INTO THE EMPLOYEE'S
10 ACCOUNT DURING THE PREVIOUS TAX YEAR.

11 SECTION 1904-J. CARRYOVER, CARRYBACK, ASSIGNMENT AND PASS-
12 THROUGH OF CREDIT.

13 (A) GENERAL RULE.--IF THE AMOUNT OF THE TAX CREDIT ALLOWED
14 UNDER THIS ARTICLE EXCEEDS THE EMPLOYER'S TAX LIABILITY IN THE
15 TAX YEAR IN WHICH THE TAX CREDIT IS APPROVED, THE EXCESS TAX
16 CREDIT MAY BE CARRIED OVER TO SUCCEEDING TAX YEARS FOR A PERIOD
17 NOT TO EXCEED THREE YEARS TO REDUCE THE EMPLOYER'S TAX LIABILITY
18 DURING THOSE TAX YEARS. THE FOLLOWING SHALL APPLY:

19 (1) A TAX CREDIT THAT IS CARRIED OVER TO SUCCEEDING TAX
20 YEARS MUST BE APPLIED FIRST TO THE EARLIEST TAX YEAR
21 POSSIBLE.

22 (2) ANY CREDIT REMAINING AFTER THREE TAX YEARS FOLLOWING
23 THE INITIAL APPROVAL OF A TAX CREDIT UNDER THIS ARTICLE SHALL
24 NOT BE REFUNDED OR CREDITED TO THE EMPLOYER.

25 (B) NO CARRYBACK OR REFUND.--AN EMPLOYER APPROVED FOR A TAX
26 CREDIT IS NOT ENTITLED TO CARRY BACK OR OBTAIN A REFUND OF ALL
27 OR ANY PORTION OF AN UNUSED TAX CREDIT GRANTED TO THE EMPLOYER
28 UNDER THIS ARTICLE.

29 (C) PASS-THROUGH ENTITY.--IF AN EMPLOYER IS A PASS-THROUGH
30 ENTITY AND HAS AN UNUSED TAX CREDIT UNDER SECTION 1903-J, THE

1 EMPLOYER MAY ELECT IN WRITING, ACCORDING TO PROCEDURES
2 ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR A PORTION OF
3 THE CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS IN PROPORTION TO
4 THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME TO WHICH THE
5 SHAREHOLDER, MEMBER OR PARTNER IS ENTITLED. THE FOLLOWING APPLY:

6 (1) THE SAME UNUSED TAX CREDIT UNDER SUBSECTION (B) MAY
7 NOT BE CLAIMED BY:

8 (I) THE PASS-THROUGH ENTITY; AND

9 (II) A SHAREHOLDER, MEMBER OR PATRON OF THE PASS-
10 THROUGH ENTITY.

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

17 SECTION 1905-J. DEPARTMENTAL DUTIES.

18 THE DEPARTMENT SHALL PUBLISH GUIDELINES AND MAY PROMULGATE
19 REGULATIONS NECESSARY FOR THE IMPLEMENTATION AND ADMINISTRATION
20 OF THIS ARTICLE.

21 SECTION 1906-J. NONDISCRIMINATION IN MATCHING CONTRIBUTIONS.

22 (A) ACCOUNTS OWNED BY EMPLOYEES.--AN EMPLOYEE WHO OWNS AN
23 ACCOUNT SHALL HAVE EQUAL OPPORTUNITY TO RECEIVE A MATCHING
24 CONTRIBUTION FROM THE EMPLOYER.

25 (B) DUTY OF EMPLOYERS.--IF AN EMPLOYER CHOOSES TO MAKE
26 MATCHING CONTRIBUTIONS TO EMPLOYEE-OWNED ACCOUNTS FOR THE
27 PURPOSES OF CLAIMING THE TAX CREDIT, THE EMPLOYER SHALL MAKE
28 EQUAL MATCHING CONTRIBUTIONS DURING THE TAX YEAR TO ANY EMPLOYEE
29 THAT EITHER OWNS AN ACCOUNT OR CHOOSES TO OPEN AN ACCOUNT WHILE
30 EMPLOYED BY THE EMPLOYER.

1 (C) RIGHTS OF EMPLOYEES.--AN EMPLOYEE WHO OWNS AN ACCOUNT
2 MAY VOLUNTARILY OPT OUT OF AN EMPLOYER MATCHING CONTRIBUTION
3 BENEFIT DURING ANY TAX YEAR. AN EMPLOYEE WHO OPTS OUT OF A
4 MATCHING CONTRIBUTION BENEFIT FROM THE EMPLOYER DURING ONE TAX
5 YEAR MAY ELECT TO RECEIVE THE MATCHING CONTRIBUTION BENEFIT
6 DURING ANOTHER SUCCEEDING TAX YEAR.
7 SECTION 1907-J. REPORT TO GENERAL ASSEMBLY.

8 (A) ANNUAL REPORT.--NO LATER THAN JULY 1, 2025, AND EACH
9 JULY 1 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE
10 GENERAL ASSEMBLY INDICATING THE EFFECTIVENESS OF THE TAX CREDIT
11 UNDER THIS ARTICLE.

12 (B) INFORMATION REQUIRED.--THE REPORT REQUIRED UNDER
13 SUBSECTION (A) SHALL INCLUDE THE FOLLOWING INFORMATION:

14 (1) THE NUMBER OF TAX CREDITS APPROVED UNDER THIS
15 ARTICLE.

16 (2) THE AMOUNT OF TAX CREDITS APPROVED UNDER THIS
17 ARTICLE.

18 (3) THE NUMBER OF TAX CREDITS DENIED AND THE REASON FOR
19 DENIAL.

20 ARTICLE XIX-K

21 EMPLOYER CHILD CARE CONTRIBUTION TAX CREDIT

22 SECTION 1901-K. SCOPE OF ARTICLE.

23 THIS ARTICLE ESTABLISHES THE EMPLOYER CHILD CARE CONTRIBUTION
24 TAX CREDIT.

25 SECTION 1902-K. DEFINITIONS.

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

29 "AGGREGATE CONTRIBUTION." THE AGGREGATE CONTRIBUTION THAT A
30 QUALIFIED TAXPAYER MAKES TO ALL EMPLOYEES DURING THE TAXABLE

1 YEAR FOR WHICH THE QUALIFIED TAXPAYER SEEKS THE EMPLOYER CHILD
2 CARE CONTRIBUTION TAX CREDIT ESTABLISHED UNDER THIS ARTICLE,
3 PROVIDED THAT ONLY THE FIRST \$500 IN CONTRIBUTIONS PER EMPLOYEE
4 SHALL COUNT TOWARD THE AGGREGATE CONTRIBUTION.

5 "CHILD-CARE PROVIDER." INCLUDES:

6 (1) A CHILD-CARE CENTER AS DEFINED UNDER 55 PA. CODE §
7 3270.4 (RELATING TO DEFINITIONS).

8 (2) A GROUP CHILD-CARE HOME AS DEFINED UNDER 55 PA. CODE
9 § 3280.4 (RELATING TO DEFINITIONS).

10 (3) A FAMILY CHILD-CARE HOME AS DEFINED UNDER 55 PA.
11 CODE § 3290.4 (RELATING TO DEFINITIONS).

12 "CONTRIBUTION." A PAYMENT MADE TO A CHILD-CARE PROVIDER BY
13 AN EMPLOYER TO SUBSIDIZE AN EMPLOYEE'S ELIGIBLE CHILD-CARE
14 COSTS.

15 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

16 "ELIGIBLE CHILD-CARE COSTS." COSTS INCURRED BY AN EMPLOYEE
17 FOR SERVICES RENDERED BY A CHILD-CARE PROVIDER THAT ARE INCURRED
18 TO ENABLE THE EMPLOYEE TO BE GAINFULLY EMPLOYED BY A QUALIFIED
19 TAXPAYER.

20 "EMPLOYEE." AN INDIVIDUAL EMPLOYED BY A QUALIFIED TAXPAYER.
21 THE TERM SHALL NOT INCLUDE:

22 (1) AN OFFICER OF AN ENTITY SUBJECT TO TAX UNDER ARTICLE
23 IV, VII, VIII OR XV.

24 (2) AN OFFICER OF AN INSURANCE COMPANY SUBJECT TO TAX
25 UNDER ARTICLE IX.

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

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

28 (2) A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION
29 301(N.1).

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

1 "QUALIFIED TAX LIABILITY." ANY OF THE TAXES DUE UNDER
2 ARTICLE III, IV, VII, VIII OR XV. THE TERM SHALL NOT INCLUDE ANY
3 TAX WITHHELD BY AN EMPLOYER FROM AN EMPLOYEE UNDER ARTICLE III.

4 "QUALIFIED TAXPAYER." AN INDIVIDUAL, PARTNERSHIP,
5 ASSOCIATION, CORPORATION, GOVERNMENTAL BODY OR UNIT OR AGENCY OR
6 OTHER ENTITY THAT:

7 (1) IS SUBJECT TO A TAX IMPOSED UNDER ARTICLE III, IV,
8 VII, VIII, IX OR XV; AND

9 (2) IS REQUIRED UNDER THE INTERNAL REVENUE CODE OF 1986
10 (PUBLIC LAW 99-514, 26 U.S.C. § 1 ET SEQ.) TO WITHHOLD
11 FEDERAL INCOME TAX FROM WAGES PAID TO AN EMPLOYEE.

12 SECTION 1903-K. EMPLOYER CHILD CARE CONTRIBUTION TAX CREDIT.

13 (A) GENERAL RULE.--FOR TAXABLE YEARS BEGINNING AFTER
14 DECEMBER 31, 2024, A QUALIFIED TAXPAYER MAY CLAIM THE EMPLOYER
15 CHILD CARE CONTRIBUTION TAX CREDIT FOR A CONTRIBUTION MADE
16 DURING THE TAXABLE YEAR TOWARD AN EMPLOYEE'S ELIGIBLE CHILD-CARE
17 COSTS AND MAY APPLY THE TAX CREDIT AGAINST ITS QUALIFIED TAX
18 LIABILITY.

19 (B) APPLICATION.--A QUALIFIED TAXPAYER APPLYING TO CLAIM AN
20 EMPLOYER CHILD CARE CONTRIBUTION TAX CREDIT MUST COMPLETE AND
21 SUBMIT TO THE DEPARTMENT A CHILD CARE CONTRIBUTION TAX CREDIT
22 APPLICATION ON A FORM AND IN A MANNER AS DETERMINED BY THE
23 DEPARTMENT. THE FORM SHALL REQUIRE THE QUALIFIED TAXPAYER TO
24 PROVIDE THE FOLLOWING:

25 (1) THE NAMES, ADDRESSES AND SOCIAL SECURITY NUMBERS OF
26 ALL EMPLOYEES TO WHICH THE QUALIFIED TAXPAYER MADE A
27 CONTRIBUTION DURING THE TAXABLE YEAR.

28 (2) THE NAMES, ADDRESSES AND EMPLOYER IDENTIFICATION
29 NUMBERS OF THE CHILD-CARE PROVIDERS THAT PROVIDED CHILD-CARE
30 SERVICES TO EACH PARTICIPATING EMPLOYEE.

1 (3) THE AMOUNT CONTRIBUTED TO EACH PARTICIPATING
2 EMPLOYEE.

3 (4) THE AGGREGATE CONTRIBUTION.

4 (C) AMOUNT OF TAX CREDIT.--THE AMOUNT OF THE TAX CREDIT
5 UNDER SUBSECTION (A) SHALL BE EQUAL TO 30% OF THE AGGREGATE
6 CONTRIBUTION MADE TO EMPLOYEES DURING THE TAX YEAR.

7 SECTION 1904-K. CARRYOVER, CARRYBACK, REFUND AND ASSIGNMENT OF
8 CREDIT.

9 (A) CARRYOVER, CARRYBACK AND REFUND.--A QUALIFIED TAXPAYER
10 IS NOT ENTITLED TO CARRY FORWARD, CARRY BACK OR OBTAIN A REFUND
11 OF ALL OR A PORTION OF AN UNUSED TAX CREDIT GRANTED TO THE
12 QUALIFIED TAXPAYER UNDER THIS ARTICLE.

13 (B) SALE OR ASSIGNMENT OF TAX CREDIT.--A QUALIFIED TAXPAYER
14 MAY NOT SELL OR ASSIGN A TAX CREDIT GRANTED TO THE QUALIFIED
15 TAXPAYER UNDER THIS ARTICLE.

16 SECTION 1905-K. PASS-THROUGH ENTITY.

17 (A) ELECTION.--IF THE QUALIFIED TAXPAYER IS A PASS-THROUGH
18 ENTITY, THE QUALIFIED TAXPAYER MAY ELECT IN WRITING, ACCORDING
19 TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
20 A PORTION OF THE CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS IN
21 PROPORTION TO THE SHARE OF THE QUALIFIED TAXPAYER'S DISTRIBUTIVE
22 INCOME TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE
23 ENTITLED OR IN ANY OTHER MANNER DESIGNATED BY THE QUALIFIED
24 TAXPAYER IN ACCORDANCE WITH ITS GOVERNANCE DOCUMENTS AND WITHOUT
25 REGARD TO HOW DISTRIBUTIVE INCOME, LOSSES OR CREDITS ARE
26 ALLOCATED FOR OTHER TAX PURPOSES.

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

29 (1) THE PASS-THROUGH ENTITY; AND

30 (2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH

1 ENTITY.

2 (C) TIME.--A SHAREHOLDER, MEMBER OR PARTNER OF A PASS-
3 THROUGH ENTITY UNDER SUBSECTION (A) MAY ONLY USE A TAX CREDIT
4 DURING A TAXABLE YEAR FOR WHICH USE OF THE CREDIT IS AUTHORIZED.
5 THE SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH ENTITY
6 MAY NOT CARRY FORWARD, CARRY BACK, OBTAIN A REFUND OF OR SELL OR
7 ASSIGN THE TAX CREDIT.

8 SECTION 1906-K. EXCLUSION FROM CLASSES OF INCOME.

9 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, CONTRIBUTIONS
10 MADE UNDER THIS ARTICLE TO AN EMPLOYEE'S ELIGIBLE CHILD-CARE
11 COSTS DURING THE TAXABLE YEAR MAY NOT BE INCLUDED IN ANY OF THE
12 CLASSES OF INCOME ENUMERATED UNDER SECTION 303.

13 SECTION 1907-K. NONDISCRIMINATION IN CONTRIBUTIONS.

14 (A) EMPLOYEES.--AN EMPLOYEE WHO HAS INCURRED ELIGIBLE CHILD-
15 CARE COSTS SHALL HAVE EQUAL OPPORTUNITY TO RECEIVE A
16 CONTRIBUTION FROM THE EMPLOYER.

17 (B) DUTY OF EMPLOYERS.--IF AN EMPLOYER CHOOSES TO MAKE
18 CONTRIBUTIONS TO A CHILD-CARE PROVIDER FOR THE PURPOSES OF
19 CLAIMING THE TAX CREDIT, THE EMPLOYER SHALL MAKE EQUAL
20 CONTRIBUTIONS DURING THE TAX YEAR TO ANY EMPLOYEE THAT HAS
21 ELIGIBLE CHILD-CARE COSTS.

22 SECTION 1908-K. REGULATIONS.

23 (A) PROMULGATION.--THE DEPARTMENT SHALL PROMULGATE
24 REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS ARTICLE.

25 (B) GUIDELINES.--THE DEPARTMENT SHALL DEVELOP WRITTEN
26 GUIDELINES FOR THE IMPLEMENTATION OF THIS ARTICLE. THE
27 GUIDELINES SHALL BE IN EFFECT UNTIL THE DEPARTMENT PROMULGATES
28 REGULATIONS FOR THE IMPLEMENTATION OF THE PROVISIONS OF THIS
29 ARTICLE.

30 SECTION 1909-K. TAX COMPLIANCE.

1 THE PROVISIONS OF ARTICLE XVII-A.1 APPLY TO THE APPLICATION
2 OF THIS ARTICLE.
3 SECTION 1910-K. APPLICABILITY.

4 THE PROVISIONS OF THIS ARTICLE SHALL APPLY TO TAXABLE YEARS
5 BEGINNING AFTER DECEMBER 31, 2024.

6 SECTION 24. SECTION 2901-D OF THE ACT IS AMENDED BY ADDING
7 DEFINITIONS TO READ:

8 SECTION 2901-D. DEFINITIONS.

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

12 "BLOCKCHAIN." A DISTRIBUTED LEDGER TECHNOLOGY IN WHICH THE
13 DATA IS:

14 (1) SHARED ACROSS A NETWORK THAT CREATES A DIGITAL
15 LEDGER OF VERIFIED TRANSACTIONS OR INFORMATION AMONG NETWORK
16 PARTICIPANTS; AND

17 (2) TYPICALLY LINKED USING CRYPTOGRAPHY TO MAINTAIN THE
18 INTEGRITY OF THE DIGITAL LEDGER AND EXECUTE OTHER FUNCTIONS,
19 INCLUDING THE TRANSFER OF OWNERSHIP OR VALUE.

20 * * *

21 "PROOF OF WORK CRYPTO-ASSET MINING." THE PROCESS OF
22 PERFORMING COMPUTATIONS TO ADD A VALID BLOCK OF DATA TO A
23 BLOCKCHAIN, EXCLUDING COMPUTATIONS REQUIRED TO VALIDATE
24 INDIVIDUAL TRANSACTIONS, TYPICALLY IN EXCHANGE FOR A REWARD OR
25 FEE.

26 * * *

27 SECTION 25. SECTION 2931-D(C) (2) OF THE ACT IS AMENDED BY
28 ADDING A SUBPARAGRAPH TO READ:

29 SECTION 2931-D. SALES AND USE TAX EXEMPTION.

30 * * *

1 (C) EXCLUSIONS.--THE FOLLOWING SHALL NOT QUALIFY FOR A TAX
2 EXEMPTION:

3 * * *

4 (2) COMPUTER DATA CENTER EQUIPMENT USED BY THE CERTIFIED
5 COMPUTER DATA CENTER FOR ANY OF THE FOLLOWING PURPOSES:

6 * * *

7 (III) PROOF OF WORK CRYPTO-ASSET MINING.

8 * * *

9 SECTION 26. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

10 ARTICLE XXIX-I
11 TUITION ACCOUNT PROGRAMS

12 SECTION 2901-I. DEFINITIONS.

13 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
14 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
15 CONTEXT CLEARLY INDICATES OTHERWISE:

16 "ACCOUNT." AS DEFINED IN SECTION 302 OF THE ACT OF APRIL 3,
17 1992 (P.L.28, NO.11), KNOWN AS THE TUITION ACCOUNT PROGRAMS AND
18 COLLEGE SAVINGS BOND ACT.

19 "ACCOUNT OWNER." AS DEFINED IN SECTION 302 OF THE TUITION
20 ACCOUNT PROGRAMS AND COLLEGE SAVINGS BOND ACT.

21 "BENEFICIARY." AS DEFINED IN SECTION 302 OF THE TUITION
22 ACCOUNT PROGRAMS AND COLLEGE SAVINGS BOND ACT.

23 "TUITION ACCOUNT PROGRAM CONTRACT." AS DEFINED IN SECTION
24 302 OF THE TUITION ACCOUNT PROGRAMS AND COLLEGE SAVINGS BOND
25 ACT.

26 SECTION 2902-I. FEES.

27 NOTWITHSTANDING SECTION 313(C) OF THE ACT OF APRIL 3, 1992
28 (P.L.28, NO.11), KNOWN AS THE TUITION ACCOUNT PROGRAMS AND
29 COLLEGE SAVINGS BOND ACT, THE TREASURY DEPARTMENT MAY NOT IMPOSE
30 A FEE ON THE TERMINATION OF AN ACCOUNT IF THE TERMINATION WAS A

1 RESULT OF THE DEATH OR DISABILITY OF THE BENEFICIARY.

2 SECTION 2903-I. TAXATION OF PAYMENT.

3 NOTWITHSTANDING SECTION 313(D) OF THE ACT OF APRIL 3, 1992
4 (P.L.28, NO.11), KNOWN AS THE TUITION ACCOUNT PROGRAMS AND
5 COLLEGE SAVINGS BOND ACT, IF A TUITION ACCOUNT PROGRAM CONTRACT
6 IS TERMINATED UNDER SECTION 313(A) OF THE TUITION ACCOUNT
7 PROGRAMS AND COLLEGE SAVINGS BOND ACT, A PAYMENT RECEIVED BY AN
8 ACCOUNT OWNER FROM THE TREASURY DEPARTMENT SHALL NOT BE
9 CONSIDERED IN THE CLASSES OF INCOME UNDER SECTION 303 FOR THE
10 PURPOSE OF COMPUTING THE TAX UNDER ARTICLE III.

11 SECTION 27. THE AMENDMENT OF SECTION 701.1(B), (B.1) AND (C)
12 OF THE ACT SHALL APPLY TO THE ASCERTAINMENT OF THE TAXABLE
13 AMOUNT OF SHARES AFTER DECEMBER 31, 2024, AND TO THE REPORT AND
14 THE PAYMENT OF THE BANK AND TRUST COMPANY SHARES TAX DUE AFTER
15 MARCH 14, 2025.

16 SECTION 28. THE GENERAL ASSEMBLY FINDS AND DECLARES AS
17 FOLLOWS:

18 (1) THE AMENDMENT OF SECTION 701.1(B), (B.1) AND (C) OF
19 THE ACT SHALL NOT BE RELIED UPON TO:

20 (I) ASCERTAIN THE TAXABLE AMOUNT OF SHARES FOR A
21 PERIOD PRIOR TO JANUARY 1, 2025;

22 (II) ASCERTAIN THE AMOUNT OF TAX DUE PRIOR TO MARCH
23 15, 2025; OR

24 (III) AUTHORIZE A REFUND OF A TAX PAID FOR A PERIOD
25 FOR WHICH A REPORT WAS DUE PRIOR TO MARCH 15, 2025,
26 BEYOND THE EXTENT TO WHICH THE REFUND WOULD HAVE
27 OTHERWISE BEEN DUE NOTWITHSTANDING THE AMENDMENT OF
28 SECTION 701.1(B), (B.1) AND (C) OF THE ACT.

29 (2) IN ASCERTAINING THE TAXABLE AMOUNT OF SHARES FOR A
30 PERIOD PRIOR TO JANUARY 1, 2025, THE AMOUNT OF GOODWILL

1 SUBTRACTED AND DISREGARDED IN CALCULATING THE DEDUCTION FOR
2 UNITED STATES OBLIGATIONS UNDER SECTION 701.1(B) OF THE ACT,
3 AND THE AMOUNT OF GOODWILL DEDUCTED FROM THE TAXABLE AMOUNT
4 OF SHARES UNDER SECTION 701.1(B.1) OF THE ACT, SHALL BE
5 DETERMINED BASED ON THE LAW AS IN EFFECT PRIOR TO THE
6 EFFECTIVE DATE OF THIS SECTION, WITHOUT ANY INFERENCE THAT
7 THE AMENDMENT OF SECTION 701.1(B), (B.1) AND (C) OF THE ACT
8 EXPANDED, OR CONFIRMED ANY ADMINISTRATIVE DETERMINATION THAT
9 LIMITED OR RESTRICTED, THE EXTENT TO WHICH GOODWILL COULD BE
10 SUBTRACTED AND DISREGARDED UNDER SECTION 701.1(B) OF THE ACT
11 OR DEDUCTED UNDER SECTION 701.1(B.1) OF THE ACT.

12 SECTION 29. A COMPUTER DATA CENTER THAT HAS MET THE
13 ELIGIBILITY REQUIREMENTS AND HAS BEEN CERTIFIED UNDER ARTICLE
14 XXIX-D PRIOR TO THE EFFECTIVE DATE OF THIS SECTION SHALL BE
15 DEEMED TO MEET THE CERTIFICATION REQUIREMENTS OF ARTICLE XXIX-D.
16 THE CERTIFICATION MAY NOT BE REVOKED, EXCEPT AS PROVIDED UNDER
17 SECTION 2917-D OF THE ACT, AND SHALL REMAIN IN EFFECT FOR THE
18 REMAINDER OF THE QUALIFICATION PERIOD, AS DEFINED IN SECTION
19 2931-D(D).

20 SECTION 30. THE AMENDMENT, ADDITION OR REPEAL OF THE
21 FOLLOWING SECTIONS OF THE ACT SHALL APPLY AS FOLLOWS:

22 (1) SECTION 204(76) SHALL APPLY TO TRANSACTIONS
23 OCCURRING AFTER SEPTEMBER 30, 2024.

24 (2) SECTIONS 301(O.5) AND (T.1) SHALL APPLY TO TAXABLE
25 YEARS COMMENCING AFTER DECEMBER 31, 2023.

26 (3) SECTION 303(A.7) (7) SHALL APPLY TO TAXABLE YEARS
27 COMMENCING AFTER DECEMBER 31, 2022.

28 (4) SECTION 303 (A.11) SHALL APPLY TO TAXABLE YEARS
29 COMMENCING AFTER DECEMBER 31, 2024.

30 (5) SECTION 303(A.12) SHALL APPLY TO TAXABLE YEARS

1 COMMENCING AFTER DECEMBER 31, 2023.

2 (6) SECTION 401(3)1(B.2) SHALL APPLY TO TAXABLE YEARS
3 COMMENCING AFTER DECEMBER 31, 2023.

4 (7) SECTION 401(3)1(U) SHALL APPLY TO TAXABLE YEARS
5 COMMENCING AFTER DECEMBER 31, 2022.

6 (8) SECTION 1703-H(B) SHALL APPLY TO FISCAL YEARS
7 BEGINNING AFTER JUNE 30, 2024.

8 (9) SECTIONS 1704-J(B), 1707-J(A), (C) AND (D), 1904-
9 A(C) AND 1905-A(A) SHALL APPLY TO FISCAL YEARS BEGINNING
10 AFTER JUNE 30, 2024.

11 (10) SECTIONS 1822-G, 1824-G, 1830-G AND 1833-G SHALL
12 APPLY TO FISCAL YEARS BEGINNING AFTER JUNE 30, 2024.

13 (11) ARTICLES XIX-J AND XIX-K SHALL APPLY TO TAXABLE
14 YEARS COMMENCING AFTER DECEMBER 31, 2024.

15 (12) SECTIONS 2901-D AND 2931-D(C)(2)(III) SHALL APPLY
16 TO TAXABLE YEARS COMMENCING AFTER DECEMBER 31, 2025.
17 SECTION 31. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

18 (1) THE FOLLOWING SHALL TAKE EFFECT IMMEDIATELY:

19 (I) THE AMENDMENT, ADDITION OR REPEAL OF THE
20 FOLLOWING:

21 (A) SECTION 204(76) OF THE ACT.

22 (B) SECTION 301(O.5) AND (T.1) OF THE ACT.

23 (C) SECTION 303(A.7)(2)(I)(B) AND (7), (A.11)
24 AND (A.12) OF THE ACT.

25 (D) SECTION 360.1 OF THE ACT.

26 (E) SECTION 401(3)1(B.2) AND (U) OF THE ACT.

27 (F) SECTION 401.1 OF THE ACT.

28 (G) SECTION 701.1(B), (B.1) AND (C) OF THE ACT.

29 (H) SECTION 1102-C.6(A), (B) AND (D) OF THE ACT.

30 (I) SECTIONS 1704-J(B) AND 1707-J(A), (C) AND

1 (D) OF THE ACT.

2 (J) SECTIONS 1802-C, 1803-C, 1804-C(B.2), (C),
3 (C.2), (D) AND (E), 1809-C(A) AND (B), 1812-C(A) AND
4 (C), 1813-C(C) (1) AND (5), 1814-C(A) AND (B) AND
5 1819-C(A) INTRODUCTORY PARAGRAPH OF THE ACT.

6 (K) SECTIONS 1822-G, 1824-G, 1830-G AND 1833-G
7 OF THE ACT.

8 (L) SECTIONS 1904-A(C) AND 1905-A(A) OF THE ACT.

9 (M) ARTICLES XIX-J, XIX-K AND XXIX-I OF THE ACT.

10 (II) THIS SECTION AND SECTIONS 27, 28, 29 AND 30 OF
11 THIS ACT.

12 (2) THE AMENDMENT OF SECTION 2901-D AND 2931-D(C) (2)

13 (III) SHALL TAKE EFFECT DECEMBER 31, 2025.

14 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
15 DAYS.