

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2400 Session of  
2004

INTRODUCED BY FLICK, LEH, HUTCHINSON, SHANER, ADOLPH, ALLEN,  
ARMSTRONG, BAKER, BALDWIN, BARRAR, BASTIAN, BOYD, BROWNE,  
BUNT, CAPPELLI, CAUSER, CRAHALLA, CREIGHTON, DALEY, DALLY,  
DeLUCA, DENLINGER, EGOLF, FAIRCHILD, FICHTER, FORCIER, GABIG,  
GANNON, GEIST, GERGELY, GILLESPIE, HANNA, HARRIS, HERSHEY,  
HESS, HICKERNELL, KILLION, LEWIS, MAHER, MAJOR, MARKOSEK,  
MARSICO, McNAUGHTON, METCALFE, MUSTIO, NAILOR, NICKOL,  
PETRARCA, REICHLEY, SAINATO, SATHER, SAYLOR, SCAVELLO,  
SCHRODER, STERN, R. STEVENSON, E. Z. TAYLOR, TRUE, TURZAI,  
WATSON, WILT, WOJNAROSKI, WRIGHT, YOUNGBLOOD AND BENNINGHOFF,  
APRIL 2, 2004

REFERRED TO COMMITTEE ON FINANCE, APRIL 2, 2004

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," further providing for personal income tax  
11 imposition.

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

14 Section 1. Section 302 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, amended December  
16 23, 2003 (P.L.250, No.46), is amended to read:

17 Section 302. Imposition of Tax.--(a) Every resident  
18 individual, estate or trust shall be subject to, and shall pay

1 for the privilege of receiving each of the classes of income  
2 hereinafter enumerated in section 303, a tax upon each dollar of  
3 income received by that resident during that resident's taxable  
4 year at the [rate of three and seven hundredths per cent.]  
5 following rates:

6 (1) Three and seven hundredths per cent for the taxable year  
7 commencing with or within calendar year 2004 through the taxable  
8 year commencing with or within calendar year 2005.

9 (2) Three per cent for the taxable year commencing with or  
10 within calendar year 2006.

11 (3) Two and nine-tenths per cent for the taxable year  
12 commencing with or within calendar year 2007.

13 (4) Two and eight-tenths per cent for the taxable year  
14 commencing with or within calendar year 2008 and each taxable  
15 year thereafter.

16 (b) Every nonresident individual, estate or trust shall be  
17 subject to, and shall pay for the privilege of receiving each of  
18 the classes of income hereinafter enumerated in section 303 from  
19 sources within this Commonwealth, a tax upon each dollar of  
20 income received by that nonresident during that nonresident's  
21 taxable year at the [rate of three and seven hundredths per  
22 cent.] following rates:

23 (1) Three and seven hundredths per cent for the taxable year  
24 commencing with or within calendar year 2004 through the taxable  
25 year commencing with or within calendar year 2005.

26 (2) Three per cent for the taxable year commencing with or  
27 within calendar year 2006.

28 (3) Two and nine-tenths per cent for the taxable year  
29 commencing with or within calendar year 2007.

30 (4) Two and eight-tenths per cent for the taxable year

1 commencing with or within calendar year 2008 and each taxable  
2 year thereafter.

3       Section 2. This act shall take effect immediately.