

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1081 Session of
1979

INTRODUCED BY PETRARCA, TADDONIO, LEWIS, LIVENGOD, B. D. CLARK,
WILSON AND STUBAN, APRIL 25, 1979

REFERRED TO COMMITTEE ON FINANCE, APRIL 25, 1979

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," establishing a credit against gross receipts tax
11 for railroad expenditures on maintenance or right-of-way
12 improvements.

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

15 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
16 the "Tax Reform Code of 1971," is amended by adding a section to
17 read:

18 Section 1101.2. Tax Credits.--(a) Every railroad company
19 shall be allowed a credit against the tax imposed by this act
20 for the taxable year in an amount equal to twenty-five per cent
21 of the amount expended for the maintenance or improvement of
22 rights-of-way in this Commonwealth during the calendar year
23 preceding the tax year, including those items, except

1 depreciation, in the official maintenance-of-way and capital
2 track accounts of said railroad company. In its annual report,
3 required by section 1101, the railroad company shall deduct such
4 credit provided under this section from its current tax
5 liability. The Department of Revenue will have sole
6 responsibility for the administration of this act.

7 (b) For the purpose of this act, track accounts shall mean
8 capital and maintenance expenditures for ties, rail, signals and
9 interlockers, communication systems, power transmission systems,
10 other track materials, ballast, and related labor as presently
11 prescribed under the ICC Uniform System of Accounts.

12 Section 2. This act shall take effect immediately and shall
13 apply to taxable year 1979 and thereafter.