

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 432 Session of
1995

INTRODUCED BY COLAFELLA, TRELLO, FARGO, ZUG, NAILOR, M. COHEN,
TULLI, M. N. WRIGHT, COY, SANTONI, COLAIZZO, COWELL, BAKER,
E. Z. TAYLOR, VAN HORNE, ITKIN, DENT, RUDY, BUNT, HUTCHINSON,
DeLUCA, CURRY, GEIST, CIVERA, ROBERTS, LAUGHLIN, YEWCIC,
FLICK, BELFANTI, BATTISTO, SCHULER AND MERRY,
JANUARY 31, 1995

REFERRED TO COMMITTEE ON FINANCE, JANUARY 31, 1995

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 defining "annuity consideration" to
11 exclude certain annuity exchanges.

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

14 Section 1. Section 901(3) of the act of March 4, 1971
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, added
16 August 4, 1991 (P.L.97, No.22), is amended to read:

17 Section 901. Definitions.--The following terms, when used in
18 this act, shall have the meaning ascribed to them in this
19 section:

20 * * *

1 (3) "Annuity consideration" means all sums received as
2 consideration for annuity contracts by any insurance company,
3 whether received in money or in the form of notes, credits or
4 any other substitutes for money and whether collected in this
5 Commonwealth or elsewhere. Annuity considerations shall not
6 include:

7 (i) sums received in connection with the funding of a
8 pension qualified or exempt under section 401, 403, 404, 408,
9 457 or 501 of the Internal Revenue Code of 1986 (Public Law 99-
10 514, 26 U.S.C. § 401, 403, 404, 408, 457 or 501); [or]

11 (ii) sums received through or on behalf of the Bureau of
12 Lottery of the Department of Revenue pursuant to the act of
13 August 26, 1971 (P.L.351, No.91), known as the "State Lottery
14 [Law."] Law"; or

15 (iii) sums transferred from one annuity to another annuity
16 and received as a section 1035 exchange under the Internal
17 Revenue Code of 1986.

18 Section 2. This act shall take effect immediately.