

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2122 Session of
1999

INTRODUCED BY STERN, FICHTER, HARHAI, CAPPABIANCA, LYNCH, ORIE,
BARRAR, SHANER, MANDERINO, GEORGE, COY, MARKOSEK, WALKO,
FAIRCHILD, READSHAW, JOSEPHS, PHILLIPS, WRIGHT, BELFANTI,
MAJOR, ROSS, HANNA, ALLEN, GRUCELA, SEYFERT, RUBLEY,
SCHRODER, TANGRETTI, BAKER, LEH, BROWNE, S. H. SMITH, PIPPY,
L. I. COHEN, SATHER, ARMSTRONG, YOUNGBLOOD, GEIST, MARSICO,
FREEMAN, STEELMAN, LAUGHLIN, ADOLPH, DeLUCA, THOMAS,
GODSHALL, S. MILLER, DeWEESE, FLICK, YUDICHAK, McILHINNEY,
SAINATO, HALUSKA, HENNESSEY, HESS, FARGO, MYERS, SAYLOR,
SEMMELE AND RAMOS, DECEMBER 7, 1999

REFERRED TO COMMITTEE ON FINANCE, DECEMBER 7, 1999

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," providing for special tax provisions for age and
11 infirmity.

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

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

17 Section 304.1. Special Tax Provisions for Age and
18 Infirmity.--(a) The General Assembly, in recognition of the

powers contained in section 2(b)(ii) of Article VIII of the Constitution of Pennsylvania which provides for the establishing as a class or classes of subjects of taxation the property or privileges of persons who, because of age and infirmity, are determined to be in need of special tax provisions, hereby declares as its legislative intent and purpose to implement such power under such constitutional provision by establishing special tax provisions as provided in this section.

(b) The General Assembly having determined that there are persons within this Commonwealth whose age, infirmity and income are such that imposition of a tax thereon would deprive them of the bare necessities of life deems it to be a matter of public policy to provide special tax provisions for the class of persons designated in this section to relieve their economic burden.

(c) Any claimant who meets the standard of eligibility set forth in this section as the test for age and infirmity shall be deemed a separate class of subject of taxation, and, as such, shall be entitled to the benefit of the special provisions of this section.

(d) Any claim for special tax provisions under this section shall be determined as follows: if a claimant is at least sixty-five (65) years of age and in the taxable year has paid an amount equal to or exceeding one hundred per cent of household income as defined in the act of March 11, 1971 (P.L.104, No.3), known as the "Senior Citizens Rebate and Assistance Act," on unreimbursed medical expenses, the claimant shall be entitled to a refund or forgiveness of any moneys which have been paid over to or would, except for the provisions of this act, be payable to the Commonwealth under the provisions of this article.

1 (e) If the unreimbursed medical expenses during an entire
2 taxable year do not exceed the household income by more than the
3 dollar category contained in clause (1), (2), (3), (4), (5),
4 (6), (7), (8) or (9) of this subsection, the claimant shall be
5 entitled to a refund or forgiveness based on the percentage
6 prescribed in those clauses of any moneys which have been paid
7 over to or would, except for the provisions herein, be payable
8 to the Commonwealth under this article:

9 (1) Ninety per cent if not in excess of two hundred fifty
10 dollars (\$250).

11 (2) Eighty per cent if not in excess of five hundred dollars
12 (\$500).

13 (3) Seventy per cent if not in excess of seven hundred fifty
14 dollars (\$750).

15 (4) Sixty per cent if not in excess of one thousand dollars
16 (\$1,000).

17 (5) Fifty per cent if not in excess of one thousand two
18 hundred fifty dollars (\$1,250).

19 (6) Forty per cent if not in excess of one thousand five
20 hundred dollars (\$1,500).

21 (7) Thirty per cent if not in excess of one thousand seven
22 hundred fifty dollars (\$1,750).

23 (8) Twenty per cent if not in excess of two thousand dollars
24 (\$2,000).

25 (9) Ten per cent if not in excess of two thousand two
26 hundred fifty dollars (\$2,250).

27 Section 2. This act shall apply to taxable years beginning
28 after December 31, 1998.

29 Section 3. This act shall take effect immediately.