

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1370 Session of 2010

INTRODUCED BY PICCOLA, DINNIMAN, WARD, VANCE, BRUBAKER, FOLMER, EARLL, ALLOWAY, McILHINNEY, ERICKSON, PIPPY, D. WHITE, ROBBINS, GORDNER, WASHINGTON, ORIE, TOMLINSON, WILLIAMS, TARTAGLIONE, MENSCH, STACK, WAUGH, O'PAKE, FONTANA, ARGALL, GREENLEAF AND RAFFERTY, MAY 19, 2010

REFERRED TO FINANCE, MAY 19, 2010

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 reduction.

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

13 Section 1. Section 2902-E of the act of March 4, 1971  
 14 (P.L.6, No.2), known as the Tax Reform Code of 1971, added  
 15 October 9, 2009 (P.L.451, No.48), is amended to read:

16 Section 2902-E. Reduction.

17 (a) Article XVII-D.--For the tax credit established under  
 18 Article XVII-D, the amount available to be awarded pursuant to  
 19 section 1707-D(a) shall be reduced from \$75,000,000 per fiscal  
 20 year to \$42,000,000 in fiscal year 2009-2010 and to \$60,000,000

1 in fiscal year 2010-2011.

2 (b) Article XVII-F.--For the tax credit established under  
3 Article XVII-F, the amount available to be awarded pursuant to  
4 section 1706-F(a) shall be reduced from \$75,000,000 per fiscal  
5 year to \$60,000,000 in fiscal year 2009-2010 [and to \$50,000,000  
6 in fiscal year 2010-2011]. The amount available to be awarded  
7 under section 1706-F(a) (1) and (2) in fiscal year 2009-2010  
8 shall be as follows:

9 (1) The total aggregate amount of all tax credits  
10 approved shall not exceed \$53,600,000 in fiscal year  
11 2009-2010. No less than \$37,967,000 of the total aggregate  
12 amount shall be used to provide tax credits from  
13 contributions from business firms to scholarship  
14 organizations. No less than \$15,633,000 of the total  
15 aggregate amount shall be used to provide tax credits for  
16 contributions from business firms to educational improvement  
17 organizations.

18 (2) The total aggregate amount of all tax credits  
19 approved for contributions from business firms to pre-  
20 kindergarten scholarship programs shall not exceed \$6,400,000  
21 in fiscal year 2009-2010.

22 [(3) The total aggregate amount of all tax credits  
23 approved shall not exceed \$44,670,000 in fiscal year  
24 2010-2011. No less than \$33,502,000 of the total aggregate  
25 amount shall be used to provide tax credits for contributions  
26 from business firms to scholarship organizations. No less  
27 than \$11,168,000 of the total aggregate amount shall be used  
28 to provide tax credits for contributions from business firms  
29 to educational improvement organizations.

30 (4) The total aggregate amount of all tax credits

1 approved for contributions from business firms to pre-  
2 kindergarten scholarship programs shall not exceed \$5,330,000  
3 in fiscal year 2010-2011.]

4 Notwithstanding section 1704-F(c), in fiscal year 2009-2010, if  
5 valid applications for tax credits received by the Department of  
6 Community and Economic Development before October 1, 2009,  
7 exceed the limitation under this section, tax credits shall be  
8 made available on a pro-rata basis to all valid applications  
9 received before October 1, 2009.

10 (c) Article XVII-B.--For the tax credit established under  
11 Article XVII-B, the amounts available to be awarded pursuant to  
12 section 1709-B(a) shall be equal to 50% of the maximum amounts  
13 otherwise available for award in fiscal year 2009-2010 and 45%  
14 of the maximum amounts otherwise available for award in fiscal  
15 year 2010-2011.

16 (d) Certain other credits.--For the tax credits established  
17 under section 206(b) and Articles XVII-A, XVII-E, XVIII-B and  
18 XIX-A and under Chapter 5 Subchapter B and Chapter 9 of the act  
19 of December 1, 2004 (P.L.1750, No.226), known as the First Class  
20 Cities Economic Development District Act, the amounts available  
21 for award to each eligible taxpayer shall be determined such  
22 that the total amount available for award shall be 50% of the  
23 amounts otherwise available for award in total pursuant to the  
24 applicable sections or articles in fiscal year 2009-2010, and  
25 45% of the amounts otherwise available for award in total  
26 pursuant to all applicable sections or articles in fiscal year  
27 2010-2011.

28 (e) Hiatus.--Notwithstanding any other provision of law, a  
29 taxpayer is not entitled to a tax credit under Chapter 7 of the  
30 act of July 9, 2008 (1st Sp.Sess., P.L.1873, No.1), known as the

1 Alternative Energy Investment Act.

2 Section 2. This act shall take effect immediately.