

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**  
**No. 1412** Session of  
1979

INTRODUCED BY PITTS, FISCHER, BURNS, GALLAGHER, M. H. GEORGE  
AND J. L. WRIGHT, JR., MAY 30, 1979

REFERRED TO COMMITTEE ON EDUCATION, MAY 30, 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," providing school districts with certain personal  
11 income tax data.

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

14 Section 1. Section 356, act of March 4, 1971 (P.L.6, No.2),  
15 known as the "Tax Reform Code of 1971," added August 31, 1971  
16 (P.L.362, No.93) and amended December 6, 1972 (P.L.1432,  
17 No.315), is amended to read:

18 Section 356. Cooperation with Other Governmental Agencies.--

19 (a) Notwithstanding the provisions of subsection (f) of section  
20 353, the department may permit the Commissioner of Internal  
21 Revenue of the United States, or the proper officer of any  
22 political subdivision of this Commonwealth or of any other state

1 imposing tax based upon the incomes of individuals, or the  
2 authorized representative of such officer, to inspect the tax  
3 returns of any taxpayer, or may furnish to such officer or his  
4 authorized representative an abstract of the return of income of  
5 any taxpayer, or supply him with information concerning any item  
6 of income contained in any return of any taxpayer. Such  
7 permission shall be granted or such information furnished to  
8 such officer or his representative only if the statutes of the  
9 United States or of such other state, as the case may be, grant  
10 substantially similar privileges to the proper officer of this  
11 Commonwealth charged with the administration of the personal  
12 income tax law thereof.

13 (b) The department may enter into an agreement with the  
14 taxing authorities of any state which imposes a tax on or  
15 measured by income to provide that compensation paid in such  
16 state to residents of this Commonwealth shall be exempt from  
17 such tax; in such case any compensation paid in this State to  
18 residents of such state shall be exempt from Pennsylvania  
19 personal income tax. The department, in such agreements, may  
20 provide for reciprocal withholding, employer liability, exchange  
21 of information and all other matters relating to cooperation  
22 between the states.

23 (c) The department shall, upon request, provide a school  
24 district with information from income tax records regarding the  
25 income of residents of the school district who earn income  
26 outside the Commonwealth of Pennsylvania.

27 Section 2. This act shall take effect immediately.