

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2866 Session of
1990

INTRODUCED BY FOX, DeLUCA, NAHILL, BUNT, RAYMOND, MELIO, KENNEY,
HAGARTY, CORNELL, J. H. CLARK AND LANGTRY, JULY 1, 1990

REFERRED TO COMMITTEE ON FINANCE, JULY 1, 1990

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 a credit against personal income
11 tax and corporate net income tax for donations of services,
12 equipment or other items of value to local school districts.

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 315.1. Donations to Local School Districts.-- (a)
19 When a taxpayer donates services, equipment or other items of
20 value to a local school district, the value of the services,
21 equipment or other items of value donated, as determined under
22 subsection (b), shall be allowed to the taxpayer as a credit
23 against the tax imposed on him by this article.

1 (b) The school district receiving the donation shall
2 ascertain the value of the services, equipment or other items of
3 value under regulations promulgated by the department and shall
4 designate this value on a form prescribed by the department.

5 Section 2. Section 401(3)1. of the act, is amended by adding
6 a clause to read:

7 Section 401. Definitions.--The following words, terms, and
8 phrases, when used in this article, shall have the meaning
9 ascribed to them in this section, except where the context
10 clearly indicates a different meaning:

11 * * *

12 (3) "Taxable income." 1. * * *

13 (p) When a corporation donates services, equipment or other
14 items of value to a local school district, the value of the
15 services, equipment or other items of value donated, as
16 determined under section 315.1(b), shall be allowed as a
17 deduction from taxable income.

18 * * *

19 Section 3. This act shall take effect in 60 days.