

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1312 Session of  
2005

INTRODUCED BY MUSTIO, TURZAI, ALLEN, BAKER, BALDWIN, BARRAR, BASTIAN, BENNINGHOFF, BOYD, CALTAGIRONE, CAPPELLI, CAUSER, CLYMER, CRAHALLA, CREIGHTON, DALEY, DENLINGER, ELLIS, FAIRCHILD, FEESE, FICHTER, GEIST, GINGRICH, GOODMAN, HARRIS, HERMAN, HERSHEY, HICKERNELL, HUTCHINSON, M. KELLER, KILLION, LEH, MAJOR, MARKOSEK, MARSICO, McILHATTAN, McILHINNEY, McNAUGHTON, METCALFE, MILLARD, R. MILLER, S. MILLER, NAILOR, NICKOL, O'NEILL, PAYNE, PETRARCA, PICKETT, READSHAW, REED, REICHLEY, ROSS, RUBLEY, SCAVELLO, SCHRODER, SEMMEL, STEIL, STERN, R. STEVENSON, E. Z. TAYLOR, TRUE, WALKO, WATSON, WILT AND ZUG, APRIL 11, 2005

REFERRED TO COMMITTEE ON FINANCE, APRIL 11, 2005

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 in capital stock franchise tax,  
11 for imposition of tax and for expiration.

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

14 Section 1. Sections 602(h) and 607 of the act of March 4,  
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971,  
16 amended December 23, 2003 (P.L.250, No.46), are amended to read:

17 Section 602. Imposition of Tax.--\* \* \*

18 (h) The rate of tax for purposes of the capital stock and

1 franchise tax for taxable years beginning within the dates set  
2 forth shall be as follows:

3	Taxable Year	Regular Rate	Surtax	Total Rate
4	January 1, 1971, to			
5	December 31, 1986	10 mills	0	10 mills
6	January 1, 1987, to			
7	December 31, 1987	9 mills	0	9 mills
8	January 1, 1988, to			
9	December 31, 1990	9.5 mills	0	9.5 mills
10	January 1, 1991, to			
11	December 31, 1991	11 mills	2 mills	13 mills
12	January 1, 1992, to			
13	December 31, 1997	11 mills	1.75 mills	12.75 mills
14	January 1, 1998, to			
15	December 31, 1998	11 mills	.99 mills	11.99 mills
16	January 1, 1999, to			
17	December 31, 1999	10.99 mills	0	10.99 mills
18	January 1, 2000, to			
19	December 31, 2000	8.99 mills	0	8.99 mills
20	January 1, 2001, to			
21	December 31, 2001	7.49 mills	0	7.49 mills
22	[January 1, 2002, to			
23	December 31, 2003	7.24 mills	0	7.24 mills
24	January 1, 2004, to			
25	December 31, 2004	6.99 mills	0	6.99 mills
26	January 1, 2005, to			
27	December 31, 2005	5.99 mills	0	5.99 mills
28	January 1, 2006, to			
29	December 31, 2006	4.99 mills	0	4.99 mills
30	January 1, 2007, to			

1	December 31, 2007	3.99 mills	0	3.99 mills
2	January 1, 2008, to			
3	December 31, 2008	2.99 mills	0	2.99 mills
4	January 1, 2009, to			
5	December 31, 2009	1.99 mills	0	1.99 mills
6	January 1, 2010, to			
7	December 31, 2010	.99 mills	0	.99 mills]
8	<u>January 1, 2002, to</u>			
9	<u>December 31, 2002</u>	<u>7.24 mills</u>	<u>0</u>	<u>7.24 mills</u>
10	<u>January 1, 2003, to</u>			
11	<u>December 31, 2003</u>	<u>6.99 mills</u>	<u>0</u>	<u>6.99 mills</u>
12	<u>January 1, 2004, to</u>			
13	<u>December 31, 2004</u>	<u>4.99 mills</u>	<u>0</u>	<u>4.99 mills</u>
14	<u>January 1, 2005, to</u>			
15	<u>December 31, 2005</u>	<u>3.99 mills</u>	<u>0</u>	<u>3.99 mills</u>
16	<u>January 1, 2006, to</u>			
17	<u>December 31, 2006</u>	<u>2.99 mills</u>	<u>0</u>	<u>2.99 mills</u>
18	<u>January 1, 2007, to</u>			
19	<u>December 31, 2007</u>	<u>1.99 mills</u>	<u>0</u>	<u>1.99 mills</u>
20	<u>January 1, 2008, to</u>			
21	<u>December 31, 2008</u>	<u>.99 mills</u>	<u>0</u>	<u>.99 mills</u>

22 \* \* \*

23 Section 607. [Expiration] Applicability.--This article shall  
 24 [expire for] not apply to taxable years beginning after December  
 25 31, [2010] 2008.

26 Section 2. The amendment of sections 602(h) and 607 of the  
 27 act shall be retroactive to December 23, 2003.

28 Section 3. This act shall take effect immediately.