

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1628 Session of  
2011

INTRODUCED BY ELLIS, ADOLPH, BARRAR, BOYD, BROOKS, CAUSER,  
CHRISTIANA, CLYMER, DAVIDSON, DAVIS, DENLINGER, EVERETT,  
GEIST, GIBBONS, GILLEN, GRELL, GROVE, HARRIS, HORNAMAN,  
HUTCHINSON, JOSEPHS, KAUFFMAN, KILLION, KORTZ, MAJOR,  
MARSHALL, MARSICO, MICOZZIE, MILLER, MURT, PETRI, PYLE,  
READSHAW, REICHLEY, SCHRODER, M. SMITH, VULAKOVICH AND  
WATSON, JUNE 6, 2011

REFERRED TO COMMITTEE ON COMMERCE, JUNE 6, 2011

AN ACT

1 Amending the act of October 6, 1998 (P.L.705, No.92), entitled,  
2 as amended, "An act providing for the creation of keystone  
3 opportunity zones and keystone opportunity expansion zones to  
4 foster economic opportunities in this Commonwealth, to  
5 facilitate economic development, stimulate industrial,  
6 commercial and residential improvements and prevent physical  
7 and infrastructure deterioration of geographic areas within  
8 this Commonwealth; authorizing expenditures; providing tax  
9 exemptions, tax deductions, tax abatements and tax credits;  
10 creating additional obligations of the Commonwealth and local  
11 governmental units; and prescribing powers and duties of  
12 certain State and local departments, agencies and officials,"  
13 further providing for corporate net income tax.

14 The General Assembly of the Commonwealth of Pennsylvania  
15 hereby enacts as follows:

16 Section 1. Section 515(e) of the act of October 6, 1998  
17 (P.L.705, No.92), known as the Keystone Opportunity Zone,  
18 Keystone Opportunity Expansion Zone and Keystone Opportunity  
19 Improvement Zone Act, amended December 9, 2002 (P.L.1727,  
20 No.217), is amended to read:

21 Section 515. Corporate net income tax.

\* \* \*

(e) Computation.--[A]

(1) Except as provided under paragraph (2), a  
corporation shall compute its Commonwealth taxable income in  
conformity with Article IV of the Tax Reform Code of 1971  
with no adjustments or subtractions for subzone, improvement  
subzone or expansion subzone taxable income.

(2) For taxable years beginning after December 31, 2010,  
a net loss deduction shall be allowed for taxable income  
under Article IV of the Tax Reform Code of 1971 in an amount  
less than or equal to 100% of subzone, improvement subzone or  
expansion subzone taxable income.

\* \* \*

Section 2. This act shall take effect in 60 days.