

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 286 Session of
2011

INTRODUCED BY CONKLIN, K. BOYLE, CALTAGIRONE, COHEN, DALEY,
DeLUCA, FABRIZIO, GEORGE, GOODMAN, HENNESSEY, KORTZ,
M. O'BRIEN, THOMAS, WHITE, YOUNGBLOOD AND DONATUCCI,
MAY 11, 2011

REFERRED TO COMMITTEE ON FINANCE, MAY 11, 2011

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 undertake a study of the fairness of implementing mandatory
3 combined reporting as well as the other major recommendations
4 of the Pennsylvania Business Tax Reform Commission.

5 WHEREAS, On March 4, 2004, the Governor created the
6 Pennsylvania Business Tax Reform Commission; and

7 WHEREAS, The Commission was comprised of 12 business
8 professionals appointed by the Governor and leaders of each of
9 the four caucuses of the General Assembly; and

10 WHEREAS, The Commission was tasked with evaluating
11 Pennsylvania's business tax structure and recommending revenue-
12 neutral changes to increase fairness and competitiveness; and

13 WHEREAS, On November 30, 2004, the Commission issued a final
14 report to the Governor and members of the General Assembly; and

15 WHEREAS, Among the major recommendations of the Commission
16 was implementation of mandatory combined reporting, commonly
17 known as "closing the Delaware loophole"; and

18 WHEREAS, Despite projections that mandatory combined

1 reporting would generate nearly \$500 million of tax revenue
2 annually, implementation of mandatory combined reporting has not
3 been seriously considered by the General Assembly; and

4 WHEREAS, The Governor and the General Assembly must seriously
5 consider all fair and responsible options to address the
6 projected \$4 billion budget deficit for fiscal year 2011-2012;
7 therefore be it

8 RESOLVED, That the House of Representatives direct the
9 Legislative Budget and Finance Committee to undertake a study of
10 the fairness of implementing mandatory combined reporting as
11 well as other major recommendations of the Pennsylvania Business
12 Tax Reform Commission; and be it further

13 RESOLVED, As part of the study, that the Legislative Budget
14 and Finance Committee determine a fair competitive tax ratio for
15 all types of business to pay; and be it further

16 RESOLVED, That the Legislative Budget and Finance Committee
17 issue a report on its findings and recommendations to the
18 Speaker and Minority Leader of the House of Representatives no
19 later than 180 days after the adoption of this resolution.