

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1150 Session of 2011

INTRODUCED BY SMUCKER, ERICKSON, ARGALL, RAFFERTY, COSTA, ALLOWAY, FONTANA, WASHINGTON, BOSCOLA, YUDICHAK, WAUGH, YAW, SCHWANK, FERLO, PICCOLA, BROWNE AND BLAKE, JUNE 26, 2011

SENATOR BRUBAKER, FINANCE, AS AMENDED, OCTOBER 26, 2011

AN ACT

1 ~~Providing tax incentives and credits for rehabilitation of~~ ←
2 ~~blighted historic structures.~~
3 PROVIDING TAX CREDITS FOR THE REHABILITATION OF HISTORIC ←
4 STRUCTURES.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 ~~Section 1. Short title.~~ ←

8 ~~This act shall be known and may be cited as the Historic~~
9 ~~Rehabilitation Investment Incentive Act.~~

10 ~~Section 2. Definitions.~~

11 ~~The following words and phrases when used in this act shall~~
12 ~~have the meanings given to them in this section unless the~~
13 ~~context clearly indicates otherwise:~~

14 ~~"Commission." The Pennsylvania Historical and Museum~~
15 ~~Commission.~~

16 ~~"DCED." The Department of Community and Economic Development~~
17 ~~of the Commonwealth.~~

18 ~~"Department." The Department of Revenue of the Commonwealth.~~

1 ~~"Part 2." Part 2 of the application for a tax credit~~
2 ~~provided for under section 47 of the Internal Revenue Code of~~
3 ~~1986 (Public Law 99 514, 26 U.S.C. § 47), or any future similar~~
4 ~~application requirement provided for under Federal law.~~

5 ~~"Qualified expenditures." The costs and expenses incurred by~~
6 ~~a qualified taxpayer in the restoration of a qualified historic~~
7 ~~structure pursuant to a qualified rehabilitation plan which are~~
8 ~~defined as qualified rehabilitation expenditures under section~~
9 ~~47(c)(2) of the Internal Revenue Code of 1986 (Public Law~~
10 ~~99 514, 26 U.S.C. § 47(c)(2)).~~

11 ~~"Qualified historic structure." A commercial building~~
12 ~~located in Pennsylvania that is defined as a certified historic~~
13 ~~structure under section 47(c)(3) of the Internal Revenue Code of~~
14 ~~1986 (Public Law 99 514, 26 U.S.C. § 47(c)(3)).~~

15 ~~"Qualified rehabilitation plan." A project that is approved~~
16 ~~by the Pennsylvania Historical and Museum Commission as being~~
17 ~~consistent with the standards for rehabilitation and guidelines~~
18 ~~for rehabilitation of historic buildings as adopted by the~~
19 ~~United States Secretary of the Interior.~~

20 ~~"Qualified tax liability." Tax liability imposed on a~~
21 ~~taxpayer under Article III, IV, VI, VII, VIII, IX, XI or XV of~~
22 ~~the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform~~
23 ~~Code of 1971, excluding any tax withheld by an employer under~~
24 ~~Article III of the Tax Reform Code of 1971.~~

25 ~~"Qualified taxpayer." The owner of a qualified historic~~
26 ~~structure or any other person who may qualify for the Federal~~
27 ~~rehabilitation tax credit allowable under section 47 of the~~
28 ~~Internal Revenue Code of 1986 (Public Law 99 514, 26 U.S.C. §~~
29 ~~47).~~

30 ~~Section 3. Credit allowed.~~

1 ~~For all taxable years commencing after December 31, 2011,~~
2 ~~there shall be allowed a tax credit against qualified tax~~
3 ~~liability in an amount equal to 25% of qualified expenditures~~
4 ~~incurred by a qualified taxpayer pursuant to a qualified~~
5 ~~rehabilitation plan.~~

6 ~~Section 4. Limitations on credits.~~

7 ~~(a) Aggregation of credits. Credits may not exceed an~~
8 ~~aggregate of \$10,000,000 in any fiscal year in which tax credits~~
9 ~~are allowed.~~

10 ~~(b) Qualified historic structure. Credits allowed to any~~
11 ~~qualified historic structure owner shall not exceed \$500,000 in~~
12 ~~any fiscal year in which tax credits shall be allowed.~~

13 ~~Section 5. Excess of credits.~~

14 ~~(a) Seven year carryover. If the amount of the credits~~
15 ~~exceeds the total of a qualified taxpayer's qualified tax~~
16 ~~liability, the excess amount shall be carried over for offset~~
17 ~~against such taxes in the next succeeding year or years until~~
18 ~~the seventh taxable year succeeding the taxable year in which~~
19 ~~the qualified rehabilitation plan was placed in service.~~

20 ~~(b) Application. A tax credit certificate issued by the~~
21 ~~department shall first be applied against the applicant's~~
22 ~~qualified tax liability for the current taxable year as of the~~
23 ~~date on which the tax credit certificate was issued before the~~
24 ~~tax credit can be applied against any tax liability under~~
25 ~~subsection (a).~~

26 ~~(c) No carryback or refund. An applicant is not entitled to~~
27 ~~carry back or obtain a refund of all or any portion of an unused~~
28 ~~tax credit allowed to the taxpayer under this chapter.~~

29 ~~Section 6. Pass through entities.~~

30 ~~If a qualified taxpayer is a corporation having an election~~

1 ~~in effect under Subchapter S of the Federal Internal Revenue~~
2 ~~Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.), a~~
3 ~~partnership or a limited liability company, the credit provided~~
4 ~~under this act shall be claimed by the shareholders of such~~
5 ~~corporation, the partners of such partnership or the members of~~
6 ~~such limited liability company, pro rata, in the same manner as~~
7 ~~the shareholders, partners or members account for the~~
8 ~~proportionate share of the income and loss of the corporation,~~
9 ~~partnership or limited liability company, or as the~~
10 ~~shareholders, partners or members may agree pursuant to an~~
11 ~~executed agreement among the shareholders, partners or members~~
12 ~~documenting an alternative distribution method, a copy of which~~
13 ~~shall be furnished to the department.~~

14 ~~Section 7. Transfer of credits.~~

15 ~~(a) General rule. Any person, hereafter designated the~~
16 ~~assignor, may sell, assign, convey or otherwise transfer tax~~
17 ~~credits allowed or earned under section 3. The taxpayer or~~
18 ~~taxpayers acquiring credits, hereafter designated the assignee,~~
19 ~~may use the amount of the acquired credits to offset 100% of its~~
20 ~~qualified tax liability for either the taxable year in which the~~
21 ~~qualified rehabilitation plan was first placed in service or for~~
22 ~~the taxable year in which the credit was acquired.~~

23 ~~(b) Carryover of seven years. Unused credits may be carried~~
24 ~~forward for seven years following the taxable year in which the~~
25 ~~acquisition was made.~~

26 ~~(c) Written agreement. The assignor shall enter into a~~
27 ~~written agreement with the assignee establishing the terms and~~
28 ~~conditions of the agreement and shall perfect such transfer by~~
29 ~~notifying the department and the commission within 90 days of~~
30 ~~the effective date of the transfer and shall provide such~~

1 ~~information as may be required by the department or the~~
2 ~~commission to administer and carry out the provisions of this~~
3 ~~section.~~

4 ~~Section 8. Applications; allocation of credits.~~

5 ~~(a) Joint approval by department and commission required.~~
6 ~~Applications for credits shall be made jointly to DCED and the~~
7 ~~commission, in such form as DCED and the commission shall~~
8 ~~jointly approve. The commission shall be responsible for~~
9 ~~reviewing the applications to determine whether the project~~
10 ~~proposed qualifies for a credit under section 3. In the event~~
11 ~~that the aggregate amount proposed to be claimed in any tax year~~
12 ~~and tentatively approved by the commission exceeds the~~
13 ~~limitation set forth in section 4, DCED shall be responsible for~~
14 ~~allocating the credits among the applicants. In making such~~
15 ~~allocation, DCED shall give priority to applications for~~
16 ~~qualified historic structures so as to achieve equitable~~
17 ~~geographic distribution of the credits throughout this~~
18 ~~Commonwealth.~~

19 ~~(b) Application deadline. Applications shall be filed on or~~
20 ~~before February 1 of each year for which tax credits are~~
21 ~~allowed.~~

22 ~~(c) Action on application. The commission shall complete~~
23 ~~its review of the application no later than April 1 or 30 days~~
24 ~~following receipt of a complete Part 2 application, whichever~~
25 ~~shall occur later, and shall promptly notify the applicant~~
26 ~~whether the application has been tentatively approved or the~~
27 ~~application has been disapproved and, if disapproved, the~~
28 ~~reasons for disapproval. In the event the aggregate amount of~~
29 ~~credits claimed on applications timely received by the~~
30 ~~commission does not exceed the limitations set forth in section~~

1 ~~4, approval by the commission shall be deemed final, and the~~
2 ~~commission shall issue a certificate to the applicant to that~~
3 ~~effect. If the aggregate amount of credits reflected in~~
4 ~~applications tentatively approved by the commission exceeds the~~
5 ~~limitations set forth in section 4, any approval by the~~
6 ~~commission shall be deemed tentative, and final approval may be~~
7 ~~granted only by DCED. Upon final approval by DCED, DCED shall~~
8 ~~issue a certificate to the applicant to that effect.~~

9 ~~(d) Finding. Before an application is approved, the~~
10 ~~department must make a finding that the applicant has filed all~~
11 ~~required State tax reports and returns for all applicable~~
12 ~~taxable years and paid any balance of State tax due as~~
13 ~~determined by assessment or final determination by the~~
14 ~~department or court of law upon appeal from a determination of~~
15 ~~the department.~~

16 ~~Section 9. Fees.~~

17 ~~DCED and the commission shall agree upon a schedule of fees~~
18 ~~for applications which shall not exceed \$5,000 for an~~
19 ~~application. The proceeds of fees shall be applied to offset the~~
20 ~~costs of administration of the program in such manner as DCED~~
21 ~~and the commission agree.~~

22 ~~Section 10. Certificates.~~

23 ~~The developer of a project for which a certificate has been~~
24 ~~issued shall notify the commission when the project has been~~
25 ~~placed in service. Upon verifying that the project has been~~
26 ~~placed in service and was allowed a Federal credit, the~~
27 ~~commission shall endorse the certificate. The certificate shall~~
28 ~~state the amount of the credit claimed. The developer or an~~
29 ~~assignee of the credit shall attach a copy of the certificate,~~
30 ~~as so endorsed, together with any other documentation specified~~

1 ~~by the department to any tax return on which the credit or~~
2 ~~portion thereof is claimed.~~

3 ~~Section 11. Repeals.~~

4 ~~(1) The General Assembly declares that the repeal under~~
5 ~~paragraph (2) is necessary to effectuate the provisions of~~
6 ~~this act.~~

7 ~~(2) Section 6104(d.2) (2) of the act of July 13, 2005~~
8 ~~(P.L.213, No.45), entitled "An act amending Title 27~~
9 ~~(Environmental Resources) of the Pennsylvania Consolidated~~
10 ~~Statutes, further providing for definitions, for allocation~~
11 ~~of Environmental Stewardship Fund and for administrative~~
12 ~~expenses; deleting provisions relating to environmental~~
13 ~~infrastructure grants; providing for fee deposits;~~
14 ~~authorizing indebtedness for environmental initiatives;~~
15 ~~authorizing sale of bonds, temporary financing and debt~~
16 ~~retirement; further providing for disposal fee for municipal~~
17 ~~waste landfills and deposit of disposal fee; deleting certain~~
18 ~~sunset provisions; and making a repeal relating to the~~
19 ~~Hazardous Sites Cleanup Fund," is repealed.~~

20 ~~Section 21. Effective date.~~

21 ~~This act shall take effect immediately.~~

22 SECTION 1. SHORT TITLE.

23 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE HISTORIC
24 PRESERVATION INCENTIVE ACT.

25 SECTION 2. DEFINITIONS.

26 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
27 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
28 CONTEXT CLEARLY INDICATES OTHERWISE:

29 "COMMISSION." THE PENNSYLVANIA HISTORICAL AND MUSEUM
30 COMMISSION.



1 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

2 "QUALIFIED EXPENDITURES." THE COSTS AND EXPENSES INCURRED BY
3 A QUALIFIED TAXPAYER IN THE RESTORATION OF A QUALIFIED HISTORIC
4 STRUCTURE PURSUANT TO A QUALIFIED REHABILITATION PLAN AND WHICH
5 ARE DEFINED AS QUALIFIED REHABILITATION EXPENDITURES UNDER
6 SECTION 47(C)(2) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC
7 LAW 99-514, 26 U.S.C. § 47(C)(2)).

8 "QUALIFIED HISTORIC STRUCTURE." A COMMERCIAL BUILDING THAT
9 QUALIFIES AS A CERTIFIED HISTORIC STRUCTURE UNDER SECTION 47(C)
10 (3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26
11 U.S.C. § 47(C)(3)).

12 "QUALIFIED REHABILITATION PLAN." A PROJECT THAT IS APPROVED
13 BY THE PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION AS BEING
14 CONSISTENT WITH THE STANDARDS FOR REHABILITATION AND GUIDELINES
15 FOR REHABILITATION OF HISTORIC BUILDINGS AS ADOPTED BY THE
16 UNITED STATES SECRETARY OF THE INTERIOR.

17 "QUALIFIED TAX LIABILITY." TAX LIABILITY IMPOSED ON A
18 TAXPAYER UNDER ARTICLE III, IV, VI, VII, VIII, IX, XI OR XV OF
19 THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM
20 CODE OF 1971, EXCLUDING ANY TAX WITHHELD BY AN EMPLOYER UNDER
21 ARTICLE III OF THE TAX REFORM CODE OF 1971.

22 "QUALIFIED TAXPAYER." ANY NATURAL PERSON, CORPORATION,
23 BUSINESS TRUST, LIMITED LIABILITY COMPANY, PARTNERSHIP, LIMITED
24 LIABILITY PARTNERSHIP, ASSOCIATION OR ANY OTHER FORM OF LEGAL
25 BUSINESS ENTITY THAT:

26 (1) IS SUBJECT TO A TAX IMPOSED UNDER ARTICLE III, IV,
27 VI, VII, VIII, IX, XI OR XV OF THE ACT OF MARCH 4, 1971
28 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971,
29 EXCLUDING ANY TAX WITHHELD BY AN EMPLOYER UNDER ARTICLE III
30 OF THE TAX REFORM CODE OF 1971.

1 (2) OWNS A QUALIFIED HISTORIC STRUCTURE.

2 SECTION 3. TAX CREDIT CERTIFICATES.

3 (A) APPLICATION.--

4 (1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT OF
5 COMMUNITY AND ECONOMIC DEVELOPMENT FOR A TAX CREDIT
6 CERTIFICATE UNDER THIS SECTION.

7 (2) THE APPLICATION SHALL BE ON THE FORM REQUIRED BY THE
8 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.

9 (3) THE APPLICATION SHALL BE FILED ON OR BEFORE FEBRUARY
10 1 FOR QUALIFIED EXPENDITURES INCURRED IN THE PRIOR CALENDAR
11 YEAR.

12 (B) REVIEW, RECOMMENDATION AND APPROVAL.--

13 (1) THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
14 SHALL FORWARD APPLICATIONS RECEIVED UNDER THIS SECTION TO THE
15 COMMISSION FOR REVIEW.

16 (2) THE COMMISSION SHALL DETERMINE THE AMOUNT OF THE
17 QUALIFIED EXPENDITURES INCURRED BY THE TAXPAYER IN THE PRIOR
18 CALENDAR YEAR.

19 (3) IF THE COMMISSION DETERMINES THAT THE QUALIFIED
20 TAXPAYER HAS INCURRED QUALIFIED EXPENDITURES, THE COMMISSION
21 MAY RECOMMEND APPROVAL OF THE APPLICATION AND SHALL NOTIFY
22 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF ITS
23 RECOMMENDATION WITHIN 30 DAYS FOLLOWING RECEIPT OF THE
24 COMPLETED APPLICATION BY THE COMMISSION.

25 (4) UPON RECEIPT OF THE COMMISSION'S RECOMMENDATION FOR
26 APPROVAL, THE DEPARTMENT OF COMMUNITY AND ECONOMIC
27 DEVELOPMENT:

28 (I) MAY APPROVE THE APPLICATION; AND

29 (II) BY APRIL 1, SHALL NOTIFY THE APPLICANT AND THE
30 COMMISSION OF ITS ACTION.

1 (5) IF THE DEPARTMENT OF COMMUNITY AND ECONOMIC
2 DEVELOPMENT APPROVES THE APPLICATION, IT SHALL ISSUE THE
3 QUALIFIED TAXPAYER A TAX CREDIT CERTIFICATE BY APRIL 1. A TAX
4 CREDIT CERTIFICATE ISSUED UNDER THIS SECTION SHALL NOT EXCEED
5 25% OF QUALIFIED EXPENDITURES DETERMINED BY THE COMMISSION TO
6 HAVE BEEN INCURRED BY THE QUALIFIED TAXPAYER IN THE PRIOR
7 CALENDAR YEAR.

8 (6) IN GRANTING TAX CREDIT CERTIFICATES UNDER THIS ACT,
9 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT:

10 (I) SHALL NOT GRANT MORE THAN \$10,000,000 IN TAX
11 CREDIT CERTIFICATES IN ANY FISCAL YEAR.

12 (II) SHALL NOT GRANT MORE THAN \$500,000 IN TAX
13 CREDIT CERTIFICATES TO A SINGLE QUALIFIED TAXPAYER IN ANY
14 FISCAL YEAR IN WHICH THE APPROVAL OF ALL RECOMMENDATIONS
15 RECEIVED FROM THE COMMISSION WOULD CAUSE THE LIMIT IN
16 SUBPARAGRAPH (I) TO BE EXCEEDED.

17 (III) SHALL TAKE INTO ACCOUNT THE GEOGRAPHICAL
18 DISTRIBUTION OF TAX CREDIT CERTIFICATES WHEN TAKING
19 ACTION TO IMPLEMENT THE LIMIT IN SUBPARAGRAPH (I).

20 SECTION 4. CLAIMING THE CREDIT.

21 UPON PRESENTING A TAX CREDIT CERTIFICATE TO THE DEPARTMENT,
22 THE QUALIFIED TAXPAYER MAY CLAIM A TAX CREDIT AGAINST THE
23 QUALIFIED TAX LIABILITY OF THE QUALIFIED TAXPAYER.

24 SECTION 5. CARRYOVER, CARRYBACK AND ASSIGNMENT OF CREDIT.

25 (A) GENERAL RULE.--IF A QUALIFIED TAXPAYER CANNOT USE THE
26 ENTIRE AMOUNT OF THE TAX CREDIT FOR THE TAXABLE YEAR IN WHICH
27 THE TAX CREDIT IS FIRST APPROVED, THEN THE EXCESS MAY BE CARRIED
28 OVER TO SUCCEEDING TAXABLE YEARS AND USED AS A CREDIT AGAINST
29 THE QUALIFIED TAX LIABILITY OF THE QUALIFIED TAXPAYER FOR THOSE
30 TAXABLE YEARS. EACH TIME THE TAX CREDIT IS CARRIED OVER TO A

1 SUCCEEDING TAXABLE YEAR, IT SHALL BE REDUCED BY THE AMOUNT THAT
2 WAS USED AS A CREDIT DURING THE IMMEDIATELY PRECEDING TAXABLE
3 YEAR. THE TAX CREDIT PROVIDED BY THIS ACT MAY BE CARRIED OVER
4 AND APPLIED TO SUCCEEDING TAXABLE YEARS FOR NOT MORE THAN SEVEN
5 TAXABLE YEARS FOLLOWING THE FIRST TAXABLE YEAR FOR WHICH THE
6 QUALIFIED TAXPAYER WAS ENTITLED TO CLAIM THE CREDIT.

7 (B) APPLICATION.--A TAX CREDIT CERTIFICATE RECEIVED BY THE
8 DEPARTMENT IN A TAXABLE YEAR FIRST SHALL BE APPLIED AGAINST THE
9 QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITY FOR THE CURRENT
10 TAXABLE YEAR AS OF THE DATE ON WHICH THE CREDIT WAS ISSUED
11 BEFORE THE TAX CREDIT CAN BE APPLIED AGAINST ANY QUALIFIED TAX
12 LIABILITY UNDER SUBSECTION (A).

13 (C) NO CARRYBACK OR REFUND.--A QUALIFIED TAXPAYER MAY NOT
14 CARRY BACK OR OBTAIN A REFUND OF ALL OR ANY PORTION OF AN UNUSED
15 TAX CREDIT GRANTED TO THE QUALIFIED TAXPAYER UNDER THIS ACT.

16 (D) SALE OR ASSIGNMENT.--THE FOLLOWING SHALL APPLY:

17 (1) A QUALIFIED TAXPAYER, UPON APPLICATION TO AND
18 APPROVAL BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC
19 DEVELOPMENT, MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX
20 CREDIT GRANTED TO THE QUALIFIED TAXPAYER UNDER THIS ACT.

21 (2) BEFORE AN APPLICATION IS APPROVED, THE DEPARTMENT
22 MUST FIND THAT THE APPLICANT HAS FILED ALL REQUIRED STATE TAX
23 REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS AND PAID
24 ANY BALANCE OF STATE TAX DUE AS DETERMINED AT SETTLEMENT,
25 ASSESSMENT OR DETERMINATION BY THE DEPARTMENT.

26 (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE
27 DEPARTMENT SHALL SETTLE, ASSESS OR DETERMINE THE TAX OF AN
28 APPLICANT UNDER THIS SUBSECTION WITHIN 90 DAYS OF THE FILING
29 OF ALL REQUIRED FINAL RETURNS OR REPORTS IN ACCORDANCE WITH
30 SECTION 806.1(A)(5) OF THE ACT OF APRIL 9, 1929 (P.L.343,

1 NO.176), KNOWN AS THE FISCAL CODE.

2 (E) PURCHASERS AND ASSIGNEES.--THE PURCHASER OR ASSIGNEE OF
3 ALL OR A PORTION OF A TAX CREDIT OBTAINED UNDER SECTION 3 SHALL
4 IMMEDIATELY CLAIM THE CREDIT IN THE TAXABLE YEAR IN WHICH THE
5 PURCHASE OR ASSIGNMENT IS MADE. THE PURCHASER OR ASSIGNEE MAY
6 NOT CARRY FORWARD, CARRY BACK OR OBTAIN A REFUND OF OR SELL OR
7 ASSIGN THE TAX CREDIT. THE PURCHASER OR ASSIGNEE SHALL NOTIFY
8 THE DEPARTMENT OF THE SELLER OR ASSIGNOR OF THE TAX CREDIT IN
9 COMPLIANCE WITH PROCEDURES SPECIFIED BY THE DEPARTMENT.

10 SECTION 6. PASS-THROUGH ENTITY.

11 (A) GENERAL RULE.--IF A PASS-THROUGH ENTITY HAS ANY UNUSED
12 TAX CREDIT UNDER SECTION 5, IT MAY ELECT IN WRITING, ACCORDING
13 TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
14 A PORTION OF THE CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS IN
15 PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME TO
16 WHICH THE SHAREHOLDER, MEMBER OR PARTNER IS ENTITLED.

17 (B) LIMITATION.--A PASS-THROUGH ENTITY AND A SHAREHOLDER,
18 MEMBER OR PARTNER OF A PASS-THROUGH ENTITY SHALL NOT CLAIM THE
19 CREDIT UNDER SUBSECTION (A) FOR THE SAME QUALIFIED EXPENDITURES.

20 (C) APPLICATION.--A SHAREHOLDER, MEMBER OR PARTNER OF A
21 PASS-THROUGH ENTITY TO WHOM A CREDIT IS TRANSFERRED UNDER
22 SUBSECTION (A) SHALL IMMEDIATELY CLAIM THE CREDIT IN THE TAXABLE
23 YEAR IN WHICH THE TRANSFER IS MADE. THE SHAREHOLDER, MEMBER OR
24 PARTNER MAY NOT CARRY FORWARD, CARRY BACK, OBTAIN A REFUND OF OR
25 SELL OR ASSIGN THE CREDIT.

26 SECTION 7. ADMINISTRATION.

27 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, THE
28 COMMISSION AND THE DEPARTMENT SHALL JOINTLY DEVELOP WRITTEN
29 GUIDELINES FOR THE IMPLEMENTATION OF THE PROVISIONS OF THIS ACT.

30 SECTION 8. REPORT TO GENERAL ASSEMBLY.

1 (A) GENERAL RULE.--NOT LATER THAN SEPTEMBER 1 OF EACH YEAR
2 AFTER THE FIRST YEAR IN WHICH TAX CREDIT CERTIFICATES ARE ISSUED
3 BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, THE
4 SECRETARY OF COMMUNITY AND ECONOMIC DEVELOPMENT AND THE
5 SECRETARY OF REVENUE SHALL SUBMIT A REPORT TO THE GENERAL
6 ASSEMBLY SUMMARIZING THE TAX CREDIT CERTIFICATES AWARDED AND THE
7 TAX CREDITS CLAIMED UNDER THIS ACT. THE REPORT SHALL BE
8 SUBMITTED TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
9 APPROPRIATIONS AND FINANCE COMMITTEES OF THE SENATE AND THE
10 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS AND FINANCE
11 COMMITTEES OF THE HOUSE OF REPRESENTATIVES. THE REPORT SHALL
12 INCLUDE ALL AWARDS OF TAX CREDIT CERTIFICATES, CLAIMS FOR TAX
13 CREDITS, SALE OR ASSIGNMENT OF CREDITS AND TAX CREDIT
14 UTILIZATION THAT HAVE OCCURRED SINCE THE CONCLUSION OF THE
15 PERIOD COVERED BY THE PRIOR YEAR'S REPORT THROUGH THE JUNE 30
16 IMMEDIATELY PRECEDING THE DATE OF THE REPORT. THE REPORT SHALL
17 INCLUDE:

18 (1) THE NAME OF EACH QUALIFIED TAXPAYER THAT HAS BEEN
19 AWARDED A TAX CREDIT CERTIFICATE.

20 (2) THE NAME OF EACH QUALIFIED TAXPAYER THAT HAS CLAIMED
21 A CREDIT AND THE AMOUNT OF THE CREDIT CLAIMED BY THE
22 QUALIFIED TAXPAYER.

23 (3) THE NAME OF EACH QUALIFIED TAXPAYER THAT HAS
24 RECEIVED APPROVAL TO SELL OR ASSIGN A CREDIT AND THE AMOUNT
25 OF THE CREDIT SOLD OR ASSIGNED BY THE QUALIFIED TAXPAYER.

26 (4) THE NAME OF EACH TAXPAYER WHO HAS ACQUIRED A CREDIT
27 BY SALE OR ASSIGNMENT, THE AMOUNT OF THE CREDIT ACQUIRED BY
28 SALE OR ASSIGNMENT BY THE TAXPAYER, THE AMOUNT OF THE CREDIT
29 ACQUIRED BY SALE OR ASSIGNMENT THAT HAS BEEN UTILIZED BY THE
30 TAXPAYER AND THE TAXES AND TAX YEARS AGAINST WHICH THE

1 TAXPAYER UTILIZED THE CREDIT.

2 (B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING
3 FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE
4 REPORT SHALL BE PUBLIC INFORMATION AND ALL REPORT INFORMATION
5 SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET
6 WEBSITE.

7 SECTION 9. REPEAL.

8 (A) DECLARATION.--THE GENERAL ASSEMBLY DECLARES THAT THE
9 REPEAL UNDER SUBSECTION (B) IS NECESSARY TO EFFECTUATE THE
10 PROVISIONS OF THIS ACT.

11 (B) SPECIFIC LAW REPEALED.--THE PROVISIONS OF 27 PA.C.S. §
12 6104(D.2) (2) ARE REPEALED.

13 SECTION 10. EFFECTIVE DATE.

14 THIS ACT SHALL TAKE EFFECT JULY 1, 2012, OR IMMEDIATELY,
15 WHICHEVER IS LATER.