

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

SENATE BILL

No. 829 Session of  
2021

---

INTRODUCED BY YUDICHAK, SCAVELLO, BAKER, SANTARSIERO,  
TARTAGLIONE, REGAN AND HAYWOOD, JULY 26, 2021

---

REFERRED TO FINANCE, JULY 26, 2021

---

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 the livable home tax credit.

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

13 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as  
14 the Tax Reform Code of 1971, is amended by adding an article to  
15 read:

16 ARTICLE XVIII-I

17 LIVABLE HOME TAX CREDIT

18 Section 1801-I. Scope of article.

19 This article relates to the livable home tax credit.

20 Section 1802-I. Definitions.

21 The following words and phrases when used in this article

22 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Credit." The livable home tax credit provided for under  
3 this article.

4 "Department." The Department of Community and Economic  
5 Development of the Commonwealth.

6 "Primary residence." A dwelling unit used as a place of  
7 primary habitation by an individual.

8 "Secretary." The Secretary of Community and Economic  
9 Development of the Commonwealth.

10 "Taxpayer." An individual subject to payment of taxes under  
11 Article III.

12 Section 1803-I. Tax credit for taxable years beginning on or  
13 after January 1, 2022.

14 (a) General rule.--For taxable years beginning on or after  
15 January 1, 2022, a taxpayer who purchases a primary residence or  
16 modifies the taxpayer's existing primary residence shall be  
17 allowed a credit against the tax imposed under section 302 for  
18 features or alterations that are designed to improve  
19 accessibility within or related to the residence and that meet  
20 eligibility guidelines established by the department. All  
21 accessibility features and alterations shall be subject to the  
22 requirements of the act of November 10, 1999 (P.L.491, No.45),  
23 known as the Pennsylvania Construction Code Act.

24 (b) Limitation.--The credit shall be allowed for the taxable  
25 year in which the new primary residence is purchased or the  
26 alteration of the existing residence is completed. The credit  
27 allowed under this section may not exceed the sum of \$5,000 for:

28 (1) the addition or inclusion of accessibility features  
29 within or related to the primary residence; or

30 (2) accessibility alterations within or related to an

1 existing primary residence.

2 (c) Application.--The credit shall require application by  
3 the taxpayer as provided in section 1804-I.

4 (d) Prohibition.--No credit may be allowed under this  
5 section for purchase, construction or renovation of residential  
6 rental property.

7 Section 1804-I. Procedure.

8 (a) Application.--An eligible taxpayer shall apply for the  
9 credit by submitting an application to the department. The  
10 department shall issue a certification for an approved  
11 application to the taxpayer. The taxpayer shall attach the  
12 certification to the applicable income tax return.

13 (b) Amount of tax credits.--The total amount of credits  
14 granted during a fiscal year may not exceed \$1,000,000.

15 (c) Application exceeding allocation.--If applications for  
16 the credits exceed the amount allocated by the secretary for the  
17 fiscal year, the department shall issue the credits pro rata  
18 based upon the amount of credits approved for each taxpayer and  
19 the amount of credits allocated by the secretary.

20 Section 1805-I. Limitation.

21 (a) General rule.--In no case may the amount of credits  
22 taken by a taxpayer under this article exceed the taxpayer's  
23 income tax liability for the taxable year.

24 (b) Carryover.--If the amount of credit allowed for the  
25 taxable year in which the new primary residence is purchased or  
26 renovation of the existing primary residence is completed  
27 exceeds the taxpayer's income tax liability imposed for the  
28 taxable year, the amount that exceeds the tax liability may be  
29 carried over for the credit against the income taxes of the  
30 taxpayer in the next seven taxable years or until the total

1 amount of the tax credit issued has been taken, whichever is  
2 sooner.

3 Section 1806-I. Guidelines.

4 The department shall establish guidelines necessary to  
5 implement this article.

6 Section 2. This act shall take effect immediately.