

AMENDMENTS TO HOUSE BILL NO. 1489

Sponsor: REPRESENTATIVE STEPHENS

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1 Amend Bill, page 1, lines 10 through 19; page 2, lines 1
2 through 30; page 3, lines 1 through 28, by striking out all of
3 said lines on said pages and inserting

4 Section 1. The act of August 26, 1971 (P.L.351, No.91),
5 known as the State Lottery Law, is amended by adding a section
6 to read:

7 Section 316. Lottery winnings intercept.

8 (a) Duty of Department of Revenue.--In the case of any
9 person winning a single lottery prize of more than \$2,500 in the
10 State Lottery, the Department of Revenue shall:

11 (1) (i) Make reasonable efforts to determine if the
12 prizewinner has an outstanding State tax liability prior
13 to paying the lottery prize. If the Department of Revenue
14 determines that the prizewinner has an outstanding State
15 tax liability and the rights to appeal have expired with
16 no appeal having been taken or, if an appeal has been
17 taken, it has been resolved and is not pending, the
18 Department of Revenue shall deduct from the lottery prize
19 the amount of outstanding State tax liability. A
20 deduction under this subparagraph may only be made after
21 the Department of Revenue determines under 23 Pa.C.S. §
22 4308 (relating to lottery winnings intercept) that either
23 the lottery prize is not subject to a deduction for
24 delinquent support, or that, after deducting for
25 delinquent support, prize amounts remain that can be
26 subject to deduction for the amount of the outstanding
27 State tax liability.

28 (ii) Pay the amount deducted for support as provided
29 in 23 Pa.C.S. § 4308 and the amount deducted for any
30 outstanding State tax liability in accordance with the
31 act of March 4, 1971 (P.L.6, No.2), known as the Tax
32 Reform Code of 1971, to satisfy or partially satisfy the
33 prizewinner's delinquent support obligations or
34 outstanding State tax liability.

35 (2) Request the Department of Public Welfare to make a
36 reasonable effort to determine if the prizewinner is
37 currently a recipient of public assistance benefits in this

1 Commonwealth prior to paying the lottery prize. If the
2 prizewinner is found to be a recipient of public assistance
3 benefits in this Commonwealth, the Department of Public
4 Welfare shall determine the prizewinner's eligibility to
5 continue to receive public assistance benefits as a result of
6 winning the lottery prize.

7 (3) (i) in conjunction with the Administrative Office
8 of Pennsylvania Courts, make a reasonable effort to
9 determine if the prizewinner owes court-ordered
10 obligations. If a determination is made that the
11 prizewinner owes court-ordered obligations, the
12 Administrative Office of Pennsylvania Courts shall
13 provide the Department of Revenue with the total amount
14 of obligations owed.

15 (ii) If it is determined under subparagraph (i) that
16 the prizewinner owes court-ordered obligations, deduct
17 from the amount of the lottery prize remaining after the
18 deductions made under paragraph (1) the amount of the
19 obligations owed.

20 (iii) Pay the amounts deducted under subparagraph
21 (ii) as provided by applicable law to satisfy or
22 partially satisfy the prizewinner's court-ordered
23 obligations. The Administrative Office of Pennsylvania
24 Courts shall furnish the Department of Revenue with the
25 information needed to make the payments.

26 (4) If applicable, no later than 30 days after the date
27 the lottery prize was claimed, notwithstanding the provisions
28 of 23 Pa.C.S. § 4308(7):

29 (i) award the prizewinner the amount of the lottery
30 prize to be paid to the prizewinner after any deductions
31 made under paragraphs (1) and (3); and

32 (ii) notify the prizewinner that part or all of the
33 lottery prize was used to satisfy the prizewinner's
34 obligations described in paragraphs (1) and (3). If the
35 amount of the lottery prize is not sufficient to fully
36 satisfy any of the obligations of the prizewinner, the
37 prizewinner shall owe the balance of the obligations as
38 provided under applicable law.

39 (b) Right to review.--

40 (1) A lottery prizewinner whose prize is used to satisfy
41 or partially satisfy an outstanding State tax obligation
42 under subsection (a)(1) may appeal to the Department of
43 Revenue in accordance with 2 Pa.C.S. (relating to
44 administrative law and procedure) only the issue of the
45 legality of the deduction under this section and not the
46 amount of the State tax liability. The appeal shall be filed
47 within 30 days after the prizewinner is notified under
48 subsection (a)(4) by the Department of Revenue that the prize
49 has been reduced or totally withheld to satisfy or partially
50 satisfy the amount of the prizewinner's outstanding State tax
51 liability.

1 (2) If it is determined under subsection (a)(2) that the
2 prizewinner is no longer eligible for public assistance
3 benefits in this Commonwealth, the Department of Public
4 Welfare shall notify the prizewinner and the Department of
5 Revenue and the prizewinner shall be subject to the act of
6 June 13, 1967 (P.L.31, No.21), known as the Public Welfare
7 Code.

8 (c) Administrative fee.--The Department of Revenue shall
9 determine and set a fee which reflects the actual costs it
10 incurs to administer this section with respect to a specific
11 prizewinner and deduct the calculated amount from the lottery
12 prize if the prizewinner is found to have an outstanding State
13 tax liability or court-ordered obligations subject to a
14 deduction under subsection (a)(1) or (3).

15 (d) Report.--The Department of Revenue shall annually report
16 to the Finance Committee of the Senate and the Finance Committee
17 of the House of Representatives the amount of outstanding State
18 tax liability and court-ordered obligations collected under this
19 section.

20 (e) Rules and regulations.--The Department of Revenue shall
21 promulgate rules and regulations necessary to carry out this
22 section.

23 Section 2. This act shall take effect as follows:

24 (1) The addition of section 316(a)(3) of the act shall
25 take effect in 90 days.

26 (2) The remainder of this act shall take effect
27 immediately.