

AMENDMENTS TO SENATE BILL NO. 181

Sponsor: SENATOR HUGHES

Printer's No. 161

1 Amend Bill, page 1, line 1, by inserting after "budgeting"
2 and tax credit efficiency review

3 Amend Bill, page 1, line 9, by inserting after "Budgeting"
4 and Tax Credit Efficiency

5 Amend Bill, page 2, by inserting between lines 13 and 14

6 (4) A thorough and efficient review of the tax credits
7 the Commonwealth offers to various individuals, organizations
8 and companies is vital to ensuring that the Commonwealth is
9 being a good stalwart of the support of taxpayers.

10 Amend Bill, page 2, by inserting between lines 21 and 22

11 "Evaluation." The process of review of a tax credit by the
12 IFO. The term includes soliciting or accepting public input.

13 "Evaluation date." The date by which an evaluation of a tax
14 credit by the IFO must be completed.

15 Amend Bill, page 2, by inserting between lines 26 and 27

16 "Tax Reform Code of 1971." The act of March 4, 1971 (P.L.6,
17 No.2), known as the Tax Reform Code of 1971.

18 Amend Bill, page 5, by inserting between lines 3 and 4

19 Section 6. Evaluation.

20 (a) Evaluation.--Beginning January 1, 2018, the IFO shall
21 undertake and complete an evaluation of a tax credit by the
22 evaluation date as follows:

23 (1) On or before January 1, 2019, for the following tax
24 credits:

25 (i) Article XVII-D of the Tax Reform Code of 1971.

26 (ii) Article XVII-G of the Tax Reform Code of 1971.

27 (iii) Article XVIII-F of the Tax Reform Code of
28 1971.

29 (iv) Article XX-B of the act of March 10, 1949

30 (P.L.30, No.14), known as the Public School Code of 1949.

31 (2) On or before January 1, 2020, for the following tax
32 credits:

1 (i) Article XVII-B of the Tax Reform Code of 1971.
2 (ii) Article XVIII of the Tax Reform Code of 1971.
3 (iii) Article XVIII-E of the Tax Reform Code of
4 1971.
5 (iv) The tax credits authorized under sections 518
6 and 519 of the act of October 6, 1998 (P.L.705, No.92),
7 known as the Keystone Opportunity Zone, Keystone
8 Opportunity Expansion Zone and Keystone Opportunity
9 Improvement Zone Act.

10 (3) On or before January 1, 2021, for the following tax
11 credits:
12 (i) Article XVII-E of the Tax Reform Code of 1971.
13 (ii) Article XVII-H of the Tax Reform Code of 1971.
14 (iii) Article XVIII-C of the Tax Reform Code of 1971.
15 (iv) Section 1906-F of the Tax Reform Code of 1971.

16 (4) On or before January 1, 2022, for the following tax
17 credits:
18 (i) Article XVII-I of the Tax Reform Code of 1971.
19 (ii) Article XIX-A of the Tax Reform Code of 1971.
20 (iii) Article XIX-B of the Tax Reform Code of 1971.
21 (iv) Article XIX-C of the Tax Reform Code of 1971.
22 (v) The tax credit authorized under Chapter 7 of the
23 act of July 9, 2008 (1st Sp.Sess., P.L.1873, No.1), known
24 as the Alternative Energy Investment Act.

25 (5) On or before January 1, 2023, for the following tax
26 credits:
27 (i) Article XVII-A of the Tax Reform Code of 1971.
28 (ii) Article XVIII-B of the Tax Reform Code of 1971.
29 (iii) Article XVIII-D of the Tax Reform Code of
30 1971.
31 (iv) Any other tax credit not specified under this
32 subsection.

33 (b) Frequency.--Tax credits enumerated under subsection (a)
34 shall be evaluated by the IFO on or before January 1 of every
35 fifth year after the dates specified under subsection (a) (1),
36 (2), (3), (4) and (5).

37 (c) Future tax credits.--Subject to subsection (d), a tax
38 credit authorized on or after the effective date of this section
39 shall be evaluated by the IFO on or before January 1 of the
40 fifth year after enactment.

41 (d) Termination.--If a tax credit has a termination date
42 provided for by law, an evaluation shall be made by the IFO of
43 the tax credit on or before January 1 of the year preceding the
44 calendar year of the termination date.

45 (e) Duty.--The IFO must submit a report of the evaluations
46 made under this section to the Governor, the chairperson and
47 minority chairperson of the Appropriations Committee of the
48 Senate, the chairperson and minority chairperson of the Finance
49 Committee of the Senate, the chairperson and minority
50 chairperson of the Appropriations Committee of the House of
51 Representatives and the chairperson and minority chairperson of

1 the Finance Committee of the House of Representatives and must
2 make the reports available on the IFO's publicly accessible
3 Internet website.

4 (f) Contents.--A report under subsection (e) must include
5 all of the following:

6 (1) The purpose for which the tax credit was
7 established.

8 (2) Whether the original intent of the tax credit is
9 still appropriate.

10 (3) Whether the tax credit is meeting the tax credit's
11 stated intent.

12 (4) Whether the tax credit could be more efficiently and
13 effectively carried out through alternative methods.

14 (5) The costs of providing the tax credit, including the
15 administrative cost to the Commonwealth and lost revenues to
16 the Commonwealth and local governments.

17 (6) Whether the tax credit should be continued,
18 terminated or amended.

19 (7) If the tax credit should be amended, recommended
20 changes to make the tax credit more efficient and effective.

21 Amend Bill, page 5, line 4, by striking out "6" and inserting
22 7

23 Amend Bill, page 6, line 15, by striking out "7" and
24 inserting

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26 Amend Bill, page 6, line 19, by striking out "8" and
27 inserting

28 9

29 Amend Bill, page 6, line 21, by striking out "and" and
30 inserting a comma

31 Amend Bill, page 6, line 22, by inserting after "thereto"
32 and whether or not a tax credit is efficient

33 Amend Bill, page 6, line 24, by striking out "9" and
34 inserting

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