

AMENDMENTS TO HOUSE BILL NO. 1960

Sponsor: REPRESENTATIVE SAYLOR

Printer's No. 2247

1 Amend Bill, page 1, lines 1 through 11, by striking out all
2 of said lines and inserting

3 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
4 act relating to tax reform and State taxation by codifying
5 and enumerating certain subjects of taxation and imposing
6 taxes thereon; providing procedures for the payment,
7 collection, administration and enforcement thereof; providing
8 for tax credits in certain cases; conferring powers and
9 imposing duties upon the Department of Revenue, certain
10 employers, fiduciaries, individuals, persons, corporations
11 and other entities; prescribing crimes, offenses and
12 penalties," in corporate net income tax, further providing
13 for definitions and for imposition of tax and providing for
14 certifications and publications.

15 Amend Bill, page 2, line 29, by inserting a bracket before
16 "For"

17 Amend Bill, page 2, line 29, by inserting after "For"

18] Except as provided under units (IX) or (X), for

19 Amend Bill, page 3, lines 2 through 13, by striking out all
20 of said lines and inserting

21 (IX) If the condition under section 408.2(c)(1) is certified
22 by the Independent Fiscal Office as having been met:

23 (1) Except as provided under unit (2), for taxable years
24 beginning after December 31, 2023, forty-five per cent of
25 taxable income as determined under subclause 1 or, if
26 applicable, subclause 2;

27 (2) If the condition under section 408.2(c)(2) is certified
28 by the Independent Fiscal Office as having been met, for taxable
29 years beginning after December 31, 2024, fifty per cent of
30 taxable income as determined under subclause 1 or, if
31 applicable, subclause 2;

32 (X) If the condition under section 408.2(c)(1) is not
33 certified by the Independent Fiscal Office as having been met

and if the condition under section 408.2(c)(2) is certified by the Independent Fiscal Office as having been met, for taxable years beginning after December 31, 2024, forty-five per cent of taxable income as determined under subclause 1 or, if applicable, subclause 2; or

Amend Bill, page 5, line 7, by inserting a bracket before "Forty"

Amend Bill, page 5, line 7, by inserting after "Forty"

] Except as provided under unit (IX) or (X), forty

Amend Bill, page 5, lines 10 through 22, by striking out all of said lines and inserting

(IX) If the condition under section 408.2(c)(1) is certified by the Independent Fiscal Office as having been met:

(1) Except as provided under unit (2), forty-five per cent of taxable income as determined under subclause 1 or, if applicable, subclause 2 for taxable years beginning after December 31, 2023.

(2) If the condition under section 408.2(c)(2) is certified by the Independent Fiscal Office as having been met, fifty per cent of taxable income as determined under subclause 1 or, if applicable, subclause 2 for taxable years beginning after December 31, 2024.

(X) If the condition under section 408.2(c)(1) is not certified by the Independent Fiscal Office as having been met and if the condition under section 408.2(c)(2) is certified by the Independent Fiscal Office as having been met, forty-five per cent of taxable income as determined under subclause 1 or, if applicable, subclause 2 for taxable years beginning after December 31, 2024.

Section 2. Section 402(b) of the act is amended and the section is amended by adding a subsection to read:

Section 402. Imposition of Tax.--* * *

(b) The annual rate of tax on corporate net income imposed by subsection (a) for taxable years beginning for the calendar year or fiscal year on or after the dates set forth shall be as follows:

Taxable Year	Tax Rate
January 1, 1995, [and each taxable year thereafter] <u>through December 31, 2022</u>	9.99%
<u>Except as otherwise provided under subsection (d), January 1, 2023, and each taxable year</u>	

1 thereafter 8.99%

2 * * *

3 (d) The following shall apply to the tax rate under this
4 article:

5 (1) The Secretary of the Budget shall consult with the
6 Independent Fiscal Office in producing the certification under
7 section 1702-A(b) of the act of April 9, 1929, (P.L.343,
8 No.176), known as "The Fiscal Code," for fiscal year 2022-2023
9 and fiscal year 2023-2024. The certification under this
10 paragraph shall be prepared in a way that is subject to complete
11 and thorough oversight by the Appropriations Committee of the
12 Senate and the Appropriations Committee of the House of
13 Representatives with full knowledge of all data, assumptions and
14 econometric models which were used to develop the certification.

15 (2) Upon making a certification under paragraph (1), the
16 Secretary of the Budget shall submit official copies of the
17 certification to the Independent Fiscal Office, the chair and
18 minority chair of the Appropriations Committee of the Senate and
19 the chair and minority chair of the Appropriations Committee of
20 the House of Representatives and to the Legislative Reference
21 Bureau for publication in the Pennsylvania Bulletin.

22 (3) If the Independent Fiscal Office confirms the amount of
23 surplus in the General Fund which is certified under paragraph
24 (1), the Independent Fiscal Office shall transmit to the
25 Legislative Reference Bureau a notice for publication in the
26 Pennsylvania Bulletin. The notice shall include the amount of
27 the surplus certified and whether the following conditions have
28 been met:

29 (i) Whether the surplus for the 2022-2023 fiscal year was
30 more than five hundred million dollars (\$500,000,000).

31 (ii) Whether the surplus for the 2023-2024 fiscal year was
32 more than five hundred million dollars (\$500,000,000).

33 (4) If the condition under paragraph (3)(i) is certified by
34 the Independent Fiscal Office as having been met, the following
35 shall apply:

36 (i) Except as provided under subparagraph (ii), the annual
37 rate on corporate net income imposed under subsection (a) for
38 taxable years beginning for the calendar year or fiscal year
39 after December 31, 2023, shall be eight and forty-nine
40 hundredths per cent (8.49%).

41 (ii) If the condition under paragraph (3)(ii) is certified
42 by the Independent Fiscal Office as having been met, the annual
43 rate on corporate net income imposed under subsection (a) for
44 taxable years beginning for the calendar year or fiscal year
45 after December 31, 2024, shall be seven and ninety-nine
46 hundredths per cent (7.99%).

47 (5) If the condition under paragraph (3)(i) is not certified
48 by the Independent Fiscal Office as having been met and if the
49 condition under paragraph (3)(ii) is certified by the
50 Independent Fiscal Office as having been met, the annual rate on
51 corporate net income imposed under subsection (a) for taxable

years beginning for the calendar year or fiscal year after December 31, 2024, shall be eight and forty-nine hundredths per cent (8.49%).

Section 3. The act is amended by adding a section to read:

Section 408.2. Certifications and Publications.--(a) The Secretary of the Budget shall consult with the Independent Fiscal Office in producing the certification under section 1702-A(b) of the act of April 9, 1929 (P.L.343, No.176), known as "The Fiscal Code," for fiscal year 2022-2023 and fiscal year 2023-2024. The certification under this subsection shall be prepared in a way that is subject to complete and thorough oversight by the Appropriations Committee of the Senate and the Appropriations Committee of the House of Representatives with full knowledge of all data, assumptions and econometric models which were used to develop the certification.

(b) Upon making a certification under subsection (a), the Secretary of the Budget shall submit official copies of the certification to the Independent Fiscal Office, the chair and minority chair of the Appropriations Committee of the Senate and the chair and minority chair of the Appropriations Committee of the House of Representatives and to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

(c) If the Independent Fiscal Office confirms the amount of surplus in the General Fund which is certified under subsection (a), the Independent Fiscal Office shall transmit to the Legislative Reference Bureau a notice for publication in the Pennsylvania Bulletin. The notice shall include the amount of the surplus certified and whether the following conditions have been met:

(1) Whether the surplus for the 2022-2023 fiscal year was more than seven hundred fifty million dollars (\$750,000,000).

(2) Whether the surplus for the 2023-2024 fiscal year was more than seven hundred fifty million dollars (\$750,000,000).

Amend Bill, page 5, line 23, by striking out "2" and inserting