AN ACT

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," providing for frontline worker tax rebate; and making a continuing appropriation from the COVID-19 Response Restricted Account.

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

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

ARTICLE XXIX-I
FRONTLINE WORKER TAX REBATE

Section 2901-I. Scope of article.
This article relates to a frontline worker tax rebate.

Section 2902-I. Definitions.
The following words and phrases when used in this article...
shall have the meanings given to them in this section unless the
case clearly indicates otherwise:

"Ambulance." Any vehicle which is specifically designed,
constructed or modified and equipped and is used or intended to
be used and is maintained or operated for the purpose of
providing emergency medical care to and transportation of human
patients. The term includes advanced or basic life support
vehicles that may or may not transport human patients.

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

"Frontline worker." An employee of a hospital who is
involved in direct patient care activities and clinical care
services, including the transport of a patient to a hospital by
ambulance. The term does not include hospital executives,
contracted staff or administrators.

"Hospital." The following:

(1) Any of the following:

   (i) A hospital licensed by the Department of Health
under section 808 of the act of July 19, 1979 (P.L.130,
No.48), known as the Health Care Facilities Act, that
provides inpatient medical care and other related
services for surgery, acute medical conditions or
injuries.

   (ii) A hospital licensed by the Department of Health
under section 808 of the Health Care Facilities Act that
specializes in services exclusively to infants, children,
adolescents and young adults from birth up to 21 years of
age.

   (iii) A critical access hospital.

(2) The term does not include a Federal veterans'
affairs hospital or a State-owned psychiatric hospital.
"Rebate." A frontline worker tax rebate authorized under this article.

"Tax year." The tax year ending on December 31, 2021.

"Taxpayer." An individual who is employed as a frontline worker and subject to the tax under Article III.

Section 2903-I. Rebate qualifications.

(a) Issuance of rebate.--Subject to section 2904-I, a rebate shall be issued to a taxpayer if all of the following apply:

(1) The taxpayer is currently employed as a frontline worker in this Commonwealth.

(2) The taxpayer was employed as a frontline worker in this Commonwealth during the period beginning after March 13, 2020, and prior to July 1, 2022.

(3) The taxpayer applies for a rebate in the form and time prescribed by the department.

(b) Amount.--The following shall apply:

(1) Except as provided under paragraph (2), a rebate shall be equal to 100% of the tax owed by a taxpayer under Article III for the taxable year, or $2,500, whichever is less.

(2) The amount of a rebate shall be reduced by the dollar amount of a payment received by the taxpayer under section 102-J of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.

(c) Limitation.--No taxpayer shall be eligible to receive more than one rebate.

Section 2904-I. Rebate administration.

(a) Duties of department.--The department shall establish administrative and application procedures and deadlines necessary to implement and administer this article. The
department may establish guidelines for the implementation of this article.

(b) Acceptance.--The department shall begin accepting applications no later than 30 days after the effective date of this section.

(c) Review and approval.--Within 30 days after receiving a complete and correct application, the department shall review an application and determine if a taxpayer meets the rebate qualifications under section 2903-I.

Section 2905-I. Petitions for review.

A taxpayer whose rebate is either denied, corrected or otherwise adversely treated upon review by the department may petition for an administrative review in the manner prescribed by the department. An individual aggrieved by the department's action in connection with the administrative review may petition for review in the manner specified in Part X of Article III.

Section 2906-I. Penalties.

(a) Imposition.--A taxpayer who receives a rebate by providing false or misleading information to the department or who otherwise improperly receives a rebate may be required to do the following:

(1) Refund to the department the amount of rebate received.

(2) Pay a civil penalty of $100 to the department.

(b) Offset.--The department may offset any rebate due to a taxpayer against collectible liabilities owed to the Commonwealth by the taxpayer for taxes imposed under Article III.

Section 2907-I. Erroneous rebates.

(a) Correction.--If the department determines or finds a
rebate to have been incorrectly or erroneously paid, the
department shall redetermine the correct amount of the rebate,
if any, and notify the taxpayer of the reason for the correction
and the amount of the rebate.

(b) Recovery.--If a rebate has been issued in error and the
taxpayer fails to refund the rebate upon the department's
request, the rebate shall be recoverable by the department in
the manner provided for recovering delinquent taxes in Part X of
Article III.

Section 2908-I. Construction.

Notwithstanding any other provision of law, a rebate received
under this article shall not be considered "income" under
Article III or for purposes of determining eligibility for any
other State government program.

Section 2909-I. Continuing appropriation.

Money in the COVID-19 Response Restricted Account shall be
appropriated on a continuing basis, upon approval of the
Governor, to the department for the payment of rebates under
this article.

Section 2910-I. Expiration.

This article shall expire December 31, 2022.

Section 2. This act shall take effect immediately.