AN ACT

Amending the act of April 9, 1929 (P.L.343, No.176), entitled "An act relating to the finances of the State government; providing for cancer control, prevention and research, for ambulatory surgical center data collection, for the Joint Underwriting Association, for entertainment business financial management firms, for private dam financial assurance and for reinstatement of item vetoes; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, authorizing the Commonwealth to issue tax anticipation notes to defray current expenses, implementing the provisions of section 7(a) of Article VIII of the Constitution of Pennsylvania authorizing and restricting the incurring of certain debt and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and..."
certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," in emergency finance and tax provisions, providing for exemption from taxation AND FOR NONPROFIT CORPORATIONS AND CHARITABLE TRUSTS.

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

Section 1. The act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is amended by adding a section SECTIONS to read:

Section 104-A. Exemption from taxation.

(A) PAYMENT.--A payment received by an individual from the United States under section 2201 through the Coronavirus Aid, Relief and Economic Security Act (Public Law 116-136) shall not be included in the income, earned income or taxable income of the individual for the 2020 tax year for the purpose of any of the following:


(B) LOAN FORGIVENESS.--

(1) THIS SUBSECTION APPLIES TO A FORGIVENESS OF INDEBTEDNESS GRANTED UNDER THE FEDERAL CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT FOR A LOAN WHICH IS:

(I) GUARANTEED UNDER SECTION 7(A) OF THE SMALL BUSINESS ACT (PUBLIC LAW 85-536, 15 U.S.C. § 636(A)); AND
ISSUED BY AN AUTHORIZED LENDER TO ASSIST WITH
MAINTAINING PAYROLL COSTS DURING THE PERIOD BEGINNING

(2) THE AMOUNT OF FORGIVENESS UNDER PARAGRAPH (1) MUST
NOT EXCEED THE AMOUNT APPROVED BY THE AUTHORIZED LENDER THAT
ISSUED THE LOAN.

(3) FORGIVENESS UNDER THIS SUBSECTION SHALL NOT BE
INCLUDED IN THE INCOME, TAXABLE INCOME OR EARNED INCOME OF
THE PERSON GRANTED FORGIVENESS FOR A TAXABLE YEAR IN WHICH
FORGIVENESS IS GRANTED FOR THE PURPOSE OF THE FOLLOWING:

(I) THE LOCAL TAX ENABLING ACT.


(IV) THE TAXPAYER RELIEF ACT.

SECTION 105-A. NONPROFIT CORPORATIONS AND CHARITABLE TRUSTS.

(A) SCOPE.--THIS SECTION APPLIES TO ALL OF THE FOLLOWING:

(1) A BOARD OF DIRECTORS OR OTHER BODY OF A NONPROFIT
CORPORATION INCORPORATED FOR CHARITABLE PURPOSES WHICH ELECTS
TO BE GOVERNED BY 15 PA.C.S. § 5548 (RELATING TO INVESTMENT
OF TRUST FUNDS).

(2) A TRUSTEE OF A CHARITABLE TRUST HELD EXCLUSIVELY FOR
CHARITABLE PURPOSES THAT ELECTS TO BE GOVERNED BY 20 PA.C.S.
§ 8113 (RELATING TO CHARITABLE TRUSTS).

(B) TIME PERIOD.--THIS SECTION APPLIES TO:

(1) EACH CALENDAR YEAR DURING WHICH THE PROCLAMATION OF
DISASTER EMERGENCY ISSUED BY THE GOVERNOR ON MARCH 6, 2020,
PUBLISHED AT 50 PA.B. 1644 (MARCH 21, 2020), AND ANY RENEWAL
OF THE STATE OF DISASTER EMERGENCY, IS IN EFFECT; AND

(2) THE SUCCESSION CALENDAR YEAR.

(C) NONPROFIT CORPORATIONS.--DURING THE TIME PERIOD
SPECIFIED IN SUBSECTION (B), A BOARD OR BODY UNDER SUBSECTION (A)(1) SHALL DO ALL OF THE FOLLOWING:

(1) SELECT A PERCENTAGE OF THE VALUE OF THE ASSETS HELD BY OR FOR THE CORPORATION WHICH:

(I) IS CONSISTENT WITH THE LONG-TERM PRESERVATION OF THE REAL VALUE OF THE ASSETS; AND

(II) IS NOT LESS THAN 2% NOR MORE THAN 10% FOR THE CALENDAR YEAR.

(2) MAINTAIN THE PERCENTAGE UNDER PARAGRAPH (1) AS PART OF THE PERMANENT RECORDS OF THE CORPORATION.

(D) CHARITABLE TRUSTS.—DURING THE TIME PERIOD SPECIFIED IN SUBSECTION (B), A TRUSTEE UNDER SUBSECTION (A)(2) SHALL DO ALL OF THE FOLLOWING:

(1) SELECT A PERCENTAGE OF THE VALUE OF THE TRUST WHICH:

(I) IS CONSISTENT WITH THE LONG-TERM PRESERVATION OF THE REAL VALUE OF THE PRINCIPAL OF THE TRUST; AND

(II) IS NOT LESS THAN 2% NOR MORE THAN 10% FOR THE CALENDAR YEAR.

(2) MAINTAIN THE PERCENTAGE UNDER PARAGRAPH (1) AS PART OF THE PERMANENT RECORDS OF THE TRUST.

(E) INCONSISTENCY.—IF THERE IS AN INCONSISTENCY BETWEEN THIS SECTION AND ANOTHER STATUTORY PROVISION, THIS SECTION GOVERNS.

Section 2. This act shall take effect immediately.