

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 37

Session of
2005

INTRODUCED BY WAGNER, STOUT, C. WILLIAMS, LOGAN, COSTA,
RAFFERTY, ERICKSON, KITCHEN AND ORIE, JANUARY 13, 2005

REFERRED TO FINANCE, JANUARY 13, 2005

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," providing for a storm water overflow tax credit.

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

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

16 ARTICLE XIX-B

17 STORM WATER OVERFLOW TAX CREDIT ACT

18 Section 1901-B. Short title of article.

19 This article shall be known and may be cited as the Storm
20 Water Overflow Tax Credit Act.

21 Section 1902-B. Definitions.

1 The following words and phrases when used in this article
2 shall have the meanings given to them in this section unless the
3 context clearly indicates otherwise:

4 "Community sewage system." A sewage facility, whether
5 publicly or privately owned, for the collection of sewage or
6 industrial wastes of a liquid nature from two or more lots, and
7 the treatment and/or disposal of the sewage or industrial waste
8 on one or more of the lots or at another site.

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

10 "Eligible expenditures." Expenditures incurred for the
11 construction, modification or alteration of a building's
12 existing rainwater drainage system to prevent the discharge of
13 rainwater into a community sewage system.

14 "Homeowner." A taxpayer who owns his or her home and incurs
15 eligible expenditures.

16 "Rainwater drainage system." A building's rain gutters,
17 downspouts and any other structures that direct the flow of
18 rainwater off the roof of a building.

19 "Secretary." The Secretary of Revenue of the Commonwealth.

20 "Sewage." A substance that contains the waste products or
21 excrement or other discharge from the bodies of human beings or
22 animals; a substance harmful to the public health, to animal or
23 aquatic life or to the use of water for domestic water supply or
24 for recreation; or a substance which constitutes pollution under
25 the act of June 22, 1937 (P.L.1987, No.394), known as The Clean
26 Streams Law.

27 "Sewage facility." A system of sewage collection,
28 conveyance, treatment and disposal which will prevent the
29 discharge of untreated or inadequately treated sewage or other
30 waste into the waters of this Commonwealth or otherwise provide

for the safe and sanitary treatment and disposal of sewage or other waste. The term includes a community sewage system.

Section 1903-B. Storm water overflow tax credit.

(a) Eligibility.--A homeowner who incurs eligible expenditures in a taxable year may apply for a one-time storm water overflow tax credit as provided in this article against the tax imposed by Article III on homeowners.

(b) Application.--A homeowner must submit an application to the department within five years of the effective date of this article to be eligible for a storm water overflow tax credit. An application must be submitted prior to September 15 in the taxable year following the taxable year in which the eligible expenditures were incurred.

(c) Amount.--The amount of the tax credit shall equal 30% of the total eligible expenditures incurred by the homeowner for eligible expenditures incurred in the taxable year that ended in the prior calendar year.

(d) Notification of approval from department.--By December 15 of the calendar year following the close of the taxable year during which the eligible expenditures were incurred, the department shall notify the homeowner of the amount of the homeowner's approved storm water overflow tax credit.

(e) Required information.--No tax credit shall be allowed under this article to a homeowner unless the homeowner provides the department with evidences of eligible expenditures incurred. The secretary shall determine acceptable evidences of incurred eligible expenditures.

Section 1904-B. Expiration.

The department shall not approve a storm water overflow tax credit under this article for the taxable years ending after

1 December 31, 2006.

2 Section 1905-B. Applicability.

3 This article shall apply to tax years beginning on or after
4 January 1, 2005.

5 Section 2. This act shall take effect in 60 days.