
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 543

Session of
1983

INTRODUCED BY WASS, SHOWERS, CLYMER, STUBAN, SCHULER, REINARD,
HERMAN, SCHEETZ, ANGSTADT, FLICK, SEMMEL, BUNT, GODSHALL,
R. C. WRIGHT, HAYES, ROBBINS, BOOK, BELARDI, COSLETT,
PHILLIPS AND MACKOWSKI, MARCH 22, 1983

REFERRED TO COMMITTEE ON FINANCE, MARCH 22, 1983

AN ACT

1 Authorizing the Department of Revenue to grant tax credits to
2 certain business entities which donate property to certain
3 educational institutions.

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

6 Section 1. Definitions.

7 The following words and phrases when used in this act shall
8 have the meanings given to them in this section unless the
9 context clearly indicates otherwise:

10 "Business firm." Any business entity authorized to do
11 business in this Commonwealth and subject to the Corporate Net
12 Income Tax, or a bank, bank and trust company, insurance
13 company, trust company, national bank, savings association,
14 mutual savings bank or building and loan association.

15 "Department." The Department of Revenue.

16 "Institution." Any of the State-owned universities.

17 "Property." Real property only.

1 Section 2. Credit qualifications.

2 (a) Tax credit authorized.--Any business firm which donates
3 any real property to any institution shall be eligible to
4 receive a tax credit pursuant to the provisions of this act.

5 (b) Proposed donation to be approved.--Before any business
6 firm receives a tax credit the proposed donation of real
7 property shall have been approved by the president of the
8 institution or his or her designee and the Secretary of the
9 Department of General Services or his or her designee shall have
10 approved the donation. Before approval may be granted the
11 respective officials shall have been satisfied that the
12 institution has a current need for such property or will have a
13 need in the near future.

14 Section 3. Tax credit.

15 (a) Credit against taxes.--The department shall grant a tax
16 credit against any tax due under Article IV of the act of March
17 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, or
18 against any tax due from a bank, bank and trust company, trust
19 company, insurance company, other than a foreign fire or
20 casualty insurance company, national bank, savings association,
21 mutual savings bank or building and loan association, under
22 Article VII, VIII or IX of the Tax Reform Code of 1971, or the
23 act of June 22, 1964 (P.L.16, No.2), known as The Mutual Thrift
24 Institutions Tax Act, or any tax substituted in lieu thereof in
25 an amount which shall not exceed 20% of the fair market value of
26 the real property donated.

27 (b) Maximum individual credit.--The credit as provided for
28 in subsection (a) shall not exceed the sum of \$175,000 annually.

29 (c) Credit may be carried over.--Any tax credit not used in
30 the period the donation was made may be carried over for the

1 next three succeeding calendar or fiscal years until the full
2 credit has been allowed.

3 (d) Maximum total credits.--The total amount of all tax
4 credits allowed pursuant to this act shall not exceed \$2,000,000
5 in any one fiscal year.

6 Section 4. Appraisals.

7 The business firm which makes a donation shall be responsible
8 for obtaining two independent appraisals of the real property it
9 wishes to donate, grant or convey to the institution. These
10 shall be used by the department in ascertaining the fair market
11 value of the donation for tax credit purposes.

12 Section 5. Effective date.

13 This act shall take effect on July 1, 1983.