

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1538 Session of
1995

INTRODUCED BY BROWNE, DENT, FICHTER, TRELLO, RUBLEY, READSHAW,
EGOLF, M. N. WRIGHT, WALKO, CLARK, D. W. SNYDER, L. I. COHEN,
ROONEY, PLATTS, BOSCOLA, YOUNGBLOOD, J. TAYLOR, ARGALL,
HABAY, HARHART, DURHAM AND WOGAN, MAY 3, 1995

REFERRED TO COMMITTEE ON FINANCE, MAY 3, 1995

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," further providing for the carryover period for
11 neighborhood assistance tax credit.

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

14 Section 1. Section 1905-A of the act of March 4, 1971
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, added June
16 16, 1994 (P.L.279, No.48), is amended to read:

17 Section 1905-A. Grant of Tax Credit.--The Department of
18 Revenue shall grant a tax credit against any tax due under
19 Article IV, VI, VII, VII-A, VIII, VIII-A, IX, X or XV of this
20 act, or any tax substituted in lieu thereof in an amount which
21 shall not exceed fifty per cent of the total amount invested

1 during the taxable year by the business firm or twenty per cent
2 of qualified investments by a private company in programs
3 approved pursuant to section 1904-A of this act: Provided, That
4 a tax credit of up to seventy per cent of the total amount
5 invested during the taxable year by a business firm or up to
6 thirty per cent of the amount of qualified investments by a
7 private company may be allowed for investment in programs where
8 activities fall within the scope of special program priorities
9 as defined with the approval of the Governor in regulations
10 promulgated by the Secretary of the Department of Community
11 Affairs. Regulations establishing special program priorities are
12 to be promulgated during the first month of each fiscal year and
13 at such times during the year as the public interest dictates.
14 Such credit shall not exceed two hundred fifty thousand dollars
15 (\$250,000) annually, except in the case of comprehensive service
16 projects which shall be allowed an additional credit equal to
17 seventy per cent of the qualifying investments made in
18 comprehensive service projects; however, such additional credit
19 shall not exceed one hundred seventy-five thousand dollars
20 (\$175,000) annually. No tax credit shall be granted to any bank,
21 bank and trust company, insurance company, trust company,
22 national bank, savings association, mutual savings bank or
23 building and loan association for activities that are a part of
24 its normal course of business. Any tax credit not used in the
25 period the investment was made may be carried over for the next
26 [five] ten succeeding calendar or fiscal years until the full
27 credit has been allowed. The total amount of all tax credits
28 allowed pursuant to this act shall not exceed fourteen million
29 seven hundred fifty thousand dollars (\$14,750,000) in any one
30 fiscal year.

1 Section 2. This act shall take effect immediately.