

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 4

Session of
2000

INTRODUCED BY TILGHMAN, THOMPSON, HELFRICK, PICCOLA, EARLL,
PUNT, WENGER, COSTA, BELL, CORMAN, JUBELIRER, SALVATORE,
WHITE, WAUGH, DENT, O'PAKE, CONTI, LEMMOND, ROBBINS, WAGNER,
TOMLINSON, GERLACH, SLOCUM, GREENLEAF, HART, MOWERY, HOLL,
BRIGHTBILL, MURPHY, LOEPER, MADIGAN, ARMSTRONG, RHOADES AND
KASUNIC, MARCH 14, 2000

REFERRED TO FINANCE, MARCH 14, 2000

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," reducing the rate of the capital stock franchise
11 tax; providing for a phaseout of the capital stock franchise
12 tax; and making a repeal.

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

15 Section 1. Section 602(h) of the act of March 4, 1971
16 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended May
17 12, 1999 (P.L.26, No.4), is amended to read:

18 Section 602. Imposition of Tax.--* * *

19 (h) The rate of tax for purposes of the capital stock and
20 franchise tax for taxable years beginning within the dates set

1 forth shall be as follows:

2	Taxable Year	Regular Rate	Surtax	Total Rate
3	January 1, 1971, to			
4	December 31, 1986	10 mills	0	10 mills
5	January 1, 1987, to			
6	December 31, 1987	9 mills	0	9 mills
7	January 1, 1988, to			
8	December 31, 1990	9.5 mills	0	9.5 mills
9	January 1, 1991, to			
10	December 31, 1991	11 mills	2 mills	13 mills
11	January 1, 1992, to			
12	December 31, 1997	11 mills	1.75 mills	12.75 mills
13	January 1, 1998, to			
14	December 31, 1998	11 mills	.99 mills	11.99 mills
15	[January 1, 1999, and			
16	each year thereafter	10.99 mills	0	10.99 mills]
17	<u>January 1, 1999, to</u>			
18	<u>December 31, 1999</u>	<u>10.99 mills</u>	<u>0</u>	<u>10.99 mills</u>
19	<u>January 1, 2000, to</u>			
20	<u>December 31, 2000</u>	<u>8.99 mills</u>	<u>0</u>	<u>8.99 mills</u>
21	<u>January 1, 2001, to</u>			
22	<u>December 31, 2001</u>	<u>7.99 mills</u>	<u>0</u>	<u>7.99 mills</u>
23	<u>January 1, 2002, to</u>			
24	<u>December 31, 2002</u>	<u>6.99 mills</u>	<u>0</u>	<u>6.99 mills</u>
25	<u>January 1, 2003, to</u>			
26	<u>December 31, 2003</u>	<u>5.99 mills</u>	<u>0</u>	<u>5.99 mills</u>
27	<u>January 1, 2004, to</u>			
28	<u>December 31, 2004</u>	<u>4.99 mills</u>	<u>0</u>	<u>4.99 mills</u>
29	<u>January 1, 2005, to</u>			
30	<u>December 31, 2005</u>	<u>3.99 mills</u>	<u>0</u>	<u>3.99 mills</u>

1 January 1, 2006, to

2 December 31, 2006 2.99 mills 0 2.99 mills

3 January 1, 2007, to

4 December 31, 2007 1.99 mills 0 1.99 mills

5 January 1, 2008, to

6 December 31, 2008 .99 mills 0 .99 mills

7 * * *

8 Section 2. Article VI of the act is repealed.

9 Section 3. Section 1303 of the act of October 18, 1988
10 (P.L.756, No.108), known as the Hazardous Sites Cleanup Act, is
11 repealed.

12 Section 4. The repeal of Article VI of the act shall apply
13 to taxable years beginning after December 31, 2008.

14 Section 5. This act shall take effect as follows:

15 (1) The repeal of Article VI of the act shall take
16 effect January 1, 2009.

17 (2) The remainder of this act shall take effect
18 immediately.