

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2089 Session of  
2007

INTRODUCED BY PHILLIPS, FAIRCHILD, STERN, BAKER, BARRAR,  
BELFANTI, BOYD, CAPPELLI, CARROLL, CAUSER, CIVERA, COHEN,  
DALLY, EVERETT, FLECK, FRANKEL, GEIST, GEORGE, GILLESPIE,  
GODSHALL, HARHART, HENNESSEY, HERSHEY, HESS, KENNEY, KILLION,  
KULA, LONGIETTI, MELIO, MICOZZIE, MILLARD, R. MILLER, MILNE,  
MOYER, MURT, MUSTIO, PAYNE, PETRARCA, PICKETT, READSHAW,  
REICHLEY, RUBLEY, SAYLOR, SCAVELLO, SCHRODER, K. SMITH,  
SONNEY, R. STEVENSON, SWANGER, WALKO, WANSACZ, WATSON,  
WOJNAROSKI AND YUDICHAK, DECEMBER 5, 2007

REFERRED TO COMMITTEE ON FINANCE, DECEMBER 5, 2007

AN ACT

1 Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873,  
2 No.1), entitled "An act providing for taxation by school  
3 districts, for the State funds formula, for tax relief in  
4 first class cities, for school district choice and voter  
5 participation, for other school district options and for a  
6 task force on school cost reduction; making an appropriation;  
7 prohibiting prior authorized taxation; providing for  
8 installment payment of taxes; restricting the power of  
9 certain school districts to levy, assess and collect taxes;  
10 and making related repeals," further providing for the  
11 definition of "income."

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

14 Section 1. The definition of "income" in section 1303 of the  
15 act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as  
16 the Taxpayer Relief Act, is amended to read:

17 Section 1303. Definitions.

18 The following words and phrases when used in this chapter  
19 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 \* \* \*

3 "Income." All income from whatever source derived,  
4 including, but not limited to:

5 (1) Salaries, wages, bonuses, commissions, income from  
6 self-employment, alimony, support money, cash public  
7 assistance and relief.

8 (2) The gross amount of any pensions or [annuities,] the  
9 taxable portion of the gross distribution from an annuity,  
10 including railroad retirement benefits for calendar years  
11 prior to 1999 and 50% of railroad retirement benefits for  
12 calendar years 1999 and thereafter.

13 (3) All benefits received under the Social Security Act  
14 (49 Stat. 620, 42 U.S.C. § 301 et seq.), except Medicare  
15 benefits, for calendar years prior to 1999, and 50% of all  
16 benefits received under the Social Security Act, except  
17 Medicare benefits, for calendar years 1999 and thereafter.

18 (4) All benefits received under State unemployment  
19 insurance laws and veterans' disability payments.

20 (5) All interest received from the Federal or any state  
21 government or any instrumentality or political subdivision  
22 thereof.

23 (6) Realized capital gains and rentals.

24 (7) Workers' compensation.

25 (8) The gross amount of loss of time insurance benefits,  
26 life insurance benefits and proceeds, except the first \$5,000  
27 of the total of death benefit payments.

28 (9) Gifts of cash or property, other than transfers by  
29 gift between members of a household, in excess of a total  
30 value of \$300.

1 The term does not include surplus food or other relief in kind  
2 supplied by a governmental agency, property tax or rent rebate  
3 or inflation dividend.

4 \* \* \*

5 Section 2. This act shall take effect immediately.