

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2230

Session of
2008

INTRODUCED BY D. EVANS, DeWEESE, McCALL, EACHUS, J. TAYLOR, CURRY, MELIO, BIANCUCCI, SURRA, CONKLIN, LEVDANSKY, MUNDY, WHEATLEY, BENNINGTON, CALTAGIRONE, GALLOWAY, SANTONI, R. TAYLOR, HARKINS, KORTZ, ROEBUCK, KIRKLAND, D. O'BRIEN, WILLIAMS, BLACKWELL, PARKER, MANDERINO, THOMAS, BISHOP, SOLOBAY, M. O'BRIEN, SHIMKUS, PASHINSKI, DERMODY, KULA, COHEN, DePASQUALE, SEIP, MAHONEY, LEACH, GEORGE, YOUNGBLOOD, GERGELY, STURLA, JOSEPHS, JAMES, K. SMITH, GOODMAN AND HARHAI, FEBRUARY 5, 2008

AS REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, FEBRUARY 11, 2008

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," establishing the Protecting Pennsylvania's
11 Progress Program.

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

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

17 ARTICLE XXIX-D

18 PROTECTING PENNSYLVANIA'S PROGRESS PROGRAM

1 Section 9901-D 2901-D. Definitions.

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

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

6 "Dependent." A child who is the dependent of a claimant for
7 purposes of section 151 of the Internal Revenue Code of 1986
8 (Public Law 99-514, 26 U.S.C. § 151).

9 "Eligible married claimant." A taxpayer AND THE TAXPAYER'S
10 SPOUSE who:

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11 ~~(1) is a resident taxpayer;~~

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12 ~~(2) is married;~~

13 ~~(3) is subject to the tax imposed under Article III;~~

14 ~~(4) qualified for tax relief under section 304 for the~~
15 ~~2007 taxable year; and~~

16 ~~(5) report a dependent for Federal income tax purposes.~~

17 (1) ARE RESIDENT TAXPAYERS;

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18 (2) ARE MARRIED;

19 (3) REPORT NET INCOME OR LOSS FROM THE OPERATION OF A
20 BUSINESS, PROFESSION OR FARM OR COMPENSATION;

21 (4) ARE SUBJECT TO THE TAX IMPOSED UNDER ARTICLE III;

22 (5) QUALIFIED FOR TAX RELIEF UNDER SECTION 304 FOR THE
23 2007 TAXABLE YEAR; AND

24 (6) REPORT A DEPENDENT FOR TAX RELIEF UNDER SECTION 304
25 FOR THE 2007 TAXABLE YEAR.

26 "Eligible single claimant." An individual who:

27 (1) is a resident taxpayer;

28 (2) is subject to the tax imposed under Article III;

29 (3) ~~qualifies~~ REPORTS NET INCOME OR LOSS FROM THE

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30 OPERATION OF A BUSINESS, PROFESSION OR FARM OR COMPENSATION;

1 (4) IS QUALIFIED for tax relief under section 304 for
2 the 2007 taxable year; and

3 ~~(4) reports a dependent for Federal income tax purposes.~~ <—

4 (5) REPORTS A DEPENDENT FOR TAX RELIEF UNDER SECTION 304 <—
5 FOR THE 2007 TAXABLE YEAR.

6 "Program." The Protecting Pennsylvania's Progress Program
7 established in section 9902-D 2902-D. <—

8 "Tax return." The 2007 return accepted by the department as
9 a final return for the tax imposed by Article III. The term
10 includes a joint tax return.

11 Section 9902-D 2902-D. Program. <—

12 (a) Eligible single claimant.--The department shall issue a
13 payment of \$200 to an eligible single claimant who:

14 (1) files a tax return in the manner prescribed by
15 Article III; and

16 (2) indicates a filing status of single or of married,
17 filing separately.

18 (b) Eligible married claimant.--The department shall issue
19 a payment of \$400 to an eligible married claimant who:

20 (1) files a tax return in the manner prescribed by
21 Article III; and

22 (2) indicates a filing status of ~~single or of married,~~ <—
23 filing jointly.

24 (c) Payment administration.--

25 (1) Payments shall be made as follows:

26 (i) For a tax return filed before April 16, 2008,
27 the department shall mail the payment by June 30, 2008.

28 (ii) For a tax return filed after April 15, 2008,
29 and before January 1, 2009, the department shall mail the
30 payment within 75 days after the date the return is

1 filed.

2 (iii) For a tax return filed after December 31,
3 2008, no payment shall be made.

4 (2) Payments made under this section shall not bear
5 interest.

6 ~~Section 9903-D~~ 2903-D. Remedies and penalties. <—

7 (a) Fault.--The following apply to an individual who
8 receives a payment through false or misleading information or
9 otherwise because of the fault of the individual:

10 (1) The department shall be entitled to refund of the
11 amount of payment received.

12 (2) The department may impose an administrative penalty
13 of \$50. A penalty under this paragraph may be imposed
14 regardless of refund under paragraph (1). This paragraph is
15 subject to 2 Pa.C.S. Ch. 5 Subch. A (relating to practice and
16 procedure of Commonwealth agencies) and Ch. 7 Subch. A
17 (relating to judicial review of Commonwealth agency action).

18 (b) Offsets.--The department may offset a payment due under
19 this article against collectible liabilities owed to the
20 Commonwealth by the claimant for taxes imposed under Article
21 III.

22 (c) Erroneous payments.--If a payment has been issued in
23 error and the claimant fails to refund the payment upon the
24 department's request, the payment shall be recoverable by the
25 department in the same manner as erroneous refunds of tax.

26 ~~Section 9904-D~~ 2904-D. Administration. <—

27 The department shall establish administrative procedures
28 necessary to implement and administer this article.

29 ~~Section 9905-D~~ 2905-D. Construction. <—

30 Notwithstanding any other provision of law to the contrary, a

1 payment received under this article shall not be considered
2 "income" under Article III or for purposes of determining
3 eligibility for any State government program.

4 Section ~~9906-D~~ 2906-D. Expiration.

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5 This article shall expire December 31, 2008.

6 Section 2. This act shall take effect immediately.