
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 30

Session of
2007

INTRODUCED BY DINNIMAN, BOSCOLA, COSTA, FONTANA, ORIE,
TARTAGLIONE, BROWNE, STACK AND FERLO, FEBRUARY 5, 2007

REFERRED TO FINANCE, FEBRUARY 5, 2007

AN ACT

1 Providing for tax credits for certain health care organizations.

2 The General Assembly of the Commonwealth of Pennsylvania

3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the Health Care
6 Access Tax Credit Act.

7 Section 2. Definitions.

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

11 "Business firm." An entity authorized to do business in this
12 Commonwealth and subject to taxes imposed under Article IV, VI,
13 VII, IX or XV of the act of March 4, 1971 (P.L.6, No.2), known
14 as the Tax Reform Code of 1971.

15 "Contribution." A donation of cash, personal property or
16 services the value of which is the net cost of the donation to
17 the donor or the pro rata hourly wage, including benefits, of

1 the individual performing the services.

2 "Department." The Department of Community and Economic
3 Development of the Commonwealth.

4 "Health care organization." A nonprofit entity which:

5 (1) is exempt from Federal taxation under section
6 501(c)(3) of the Internal Revenue Code of 1986 (Public Law
7 99-514, 26 U.S.C. § 501(c)(3));

8 (2) is registered as a charitable organization with the
9 Department of State; and

10 (3) provides at least 80% of its primary health care
11 services, oral health and behavioral health activities to
12 Pennsylvanians who are underinsured or uninsured.

13 For purposes of this definition, qualified health care
14 organizations shall include federally qualified health centers,
15 volunteer health clinics, dental clinics, Title X clinics,
16 outpatient community mental health, mental retardation and
17 substance abuse programs and nonprofit hospital clinics if the
18 contributions received pursuant to this act are used solely to
19 support the clinic and not for the hospital's general
20 operations.

21 Section 3. Qualification and application.

22 (a) Establishment.--A health care access tax credit program
23 is hereby established to improve the availability and delivery
24 of health care and health care services to the citizens of this
25 Commonwealth.

26 (b) Information.--In order to qualify under this act a
27 health care organization must submit information to the
28 department that enables the department to confirm that the
29 organization is exempt from taxation under section 501(c)(3) of
30 the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C.

1 § 501(c)(3)).

2 (c) Health care organizations.--A health care organization
3 must certify to the department that the organization is eligible
4 to participate in the program established under this act and
5 must agree to annually report the following information to the
6 department by December 1, 2007, and September 1 of each year
7 thereafter:

8 (1) The number of unduplicated patients served during
9 the past year based on economic category.

10 (2) A listing of the kinds of health care services
11 provided and the number of patient visits conducted during
12 the past year.

13 (3) A copy of the organization's most recent independent
14 financial audit and IRS Form 990.

15 (4) A copy of the organization's BCO-10 form currently
16 on file with the Bureau of Charitable Organizations in the
17 Department of State.

18 (5) The information required under paragraphs (1)
19 through (4) shall be submitted on a form provided by the
20 department. No later than September 1, 2007, and May 1 of
21 each year thereafter, the department shall annually
22 distribute such sample forms, together with the forms on
23 which the reports are required to be made, to each listed
24 health care organization.

25 (d) Notification.--The department shall notify the health
26 care organization that the organization meets the requirements
27 of this act for the fiscal year no later than 60 days after the
28 organization has submitted the information required under this
29 section.

30 (e) Publication.--The department shall annually publish a

1 list of each health care organization qualified under this
2 section in the Pennsylvania Bulletin. The list shall also be
3 posted and updated as necessary on the department's publicly
4 accessible Internet website.

5 Section 4. Application for tax credit; availability.

6 (a) Business firm application.--A business firm shall apply
7 to the department for a tax credit under section 5.

8 (b) Awarding of tax credit.--A business firm shall receive a
9 tax credit under this act if the health care organization that
10 receives the contribution appears on the list established under
11 section 3(e).

12 (c) Availability of tax credits.--Tax credits under this act
13 shall be made available by the department on a first-come-first-
14 served basis, with priority given to business firms that
15 contribute to health care organizations that have applied for,
16 qualified for, but have not been awarded a Community Primary
17 Care Challenge Grant administered by the Department of Health
18 pursuant to section 1304 of the act of December 2, 1992
19 (P.L.741, No.113), known as the Children's Health Care Act.

20 Section 5. Contributions.

21 A contribution by a business firm to a health care
22 organization shall be made no later than 60 days following
23 approval of an application under section 4.

24 Section 6. Tax credit.

25 (a) Amount.--In accordance with section 7, the Department of
26 Revenue shall grant a tax credit against any tax due under
27 Article IV, VI, VII, IX or XV of the act of March 4, 1971
28 (P.L.6, No.2), known as the Tax Reform Code of 1971, to a
29 business firm providing proof of a contribution to a health care
30 organization in the taxable year in which the contribution is

1 made which shall not exceed 75% of the total amount contributed
2 during the taxable year by the business firm. Such credit shall
3 not exceed \$200,000 annually per business firm for contributions
4 made to health care organizations.

5 (b) Additional amount.--The Department of Revenue shall
6 grant a tax credit of up to 90% of the total amount contributed
7 during the taxable year if the business firm provides a written
8 commitment to provide the health care organization with the same
9 amount of contribution for two consecutive tax years. The
10 business firm must provide the written commitment under this
11 subsection to the department at the time of application.

12 Section 7. Limitations.

13 (a) Amount.--The total aggregate amount of all tax credits
14 approved shall not exceed \$25,000,000 in a fiscal year.

15 (b) Activities.--No tax credit shall be approved for
16 activities that are a part of a business firm's normal course of
17 business.

18 (c) Tax liability.--A tax credit granted for any one taxable
19 year may not exceed the tax liability of a business firm.

20 (d) Use.--A tax credit not used in the taxable year the
21 contribution was made may not be carried forward or carried back
22 and is not refundable or transferable.

23 Section 8. Lists.

24 The Department of Revenue shall provide a list of all health
25 care organizations receiving contributions from business firms
26 granted a tax credit under this act to the General Assembly by
27 June 30 of each year.

28 Section 9. Effective date.

29 This act shall take effect in 60 days.