

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 705 Session of 2011

INTRODUCED BY PIPPY, FONTANA, RAFFERTY, PILEGGI, ARGALL,
YUDICHAK, FERLO, LEACH, BRUBAKER, WAUGH, KASUNIC, BREWSTER,
ALLOWAY, WOZNIAK AND BROWNE, FEBRUARY 25, 2011

REFERRED TO FINANCE, FEBRUARY 25, 2011

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," in employment incentive payments, further
11 providing for limitation on credits and for time limitations
12 and report.

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

15 Section 1. Section 1705-A of the act of March 4, 1971
16 (P.L.6, No.2), known as the Tax Reform Code of 1971, added
17 December 15, 1999 (P.L.926, No.63), is amended to read:

18 Section 1705-A. Limitation on Credits.--The total amount of
19 employment incentive payments authorized by this article shall
20 not exceed twenty-five million dollars (\$25,000,000) for fiscal
21 years through 2009-2010 and shall not exceed five million
22 dollars (\$5,000,000) in any fiscal year thereafter, excluding

1 fiscal year 2010-2011. To [insure] ensure that credits are not
2 claimed in excess of this amount, a taxpayer may claim the
3 incentive payments only upon presentation of an authorizing
4 certificate. Certificates will be issued to the taxpayer by the
5 Department of Labor and Industry upon presentation to the
6 Department of Labor and Industry of evidence of a qualifying
7 offer of employment. If necessary to avoid certificate issuances
8 in excess of the maximum authorized amount for any fiscal year,
9 the department shall advise the Department of Labor and Industry
10 of the total number of certificates which may be issued in each
11 calendar quarter.

12 Section 2. Section 1706-A of the act, amended November 19,
13 2004 (P.L.873, No.116), is amended to read:

14 Section 1706-A. Time Limitations and Report.--Employment
15 incentive payments shall not be available for employees hired
16 after December 31, 2009, and before July 1, 2011, [unless
17 reenacted by the General Assembly]. Not later than July 1, 2004,
18 and [December 31, 2008] each December 31 thereafter, excluding
19 December 31, 2010, the Secretary of Public Welfare shall report
20 to the General Assembly on the effectiveness of incentive
21 payments to encourage the employment of general assistance and
22 temporary assistance to needy families recipients and recommend
23 whether the program should be continued. Credits may be claimed
24 against taxes payable for tax years beginning January 1, 2000,
25 and thereafter, and may be claimed for employees hired after
26 December 31, 1999.

27 Section 3. This act shall take effect immediately.