

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 539 Session of 2019

INTRODUCED BY SCAVELLO, SCARNATI AND KILLION, APRIL 10, 2019

REFERRED TO FINANCE, APRIL 10, 2019

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 personal income tax, further providing for  
 11 classes of income.

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

14 Section 1. Section 303 of the act of March 4, 1971 (P.L.6,  
 15 No.2), known as the Tax Reform Code of 1971, is amended by  
 16 adding a subsection to read:

17 Section 303. Classes of Income.--\* \* \*

18 (a.10) The following shall apply:

19 (1) An amount equal to seventy-five per cent of the amount  
 20 paid as assessments to a community association shall be  
 21 deductible from taxable income on the annual personal income tax  
 22 return. The amount paid as assessments to a community  
 23 association allowable as a deduction under this subsection may

1 not result in taxable income being less than zero.

2 (2) For purposes of this subsection:

3 (i) The term "community association" shall mean the owners  
4 association established to operate and manage a condominium,  
5 cooperative or planned community located within the  
6 Commonwealth.

7 (ii) The term "assessments" shall mean any fee or payment  
8 required of a homeowner for membership and participation in a  
9 community association.

10 \* \* \*

11 Section 2. The addition of section 303(a.10) of the act  
12 shall apply to taxable years beginning after December 31, 2018.

13 Section 3. This act shall take effect January 1, 2020, or  
14 immediately, whichever is later.