

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 285 Session of
2021

INTRODUCED BY METCALFE, COOK, GAYDOS, GILLEN, GLEIM, GREINER,
GROVE, JONES, KAUFER, KEEFER, MILLARD, ROTHMAN, RYAN, SANKEY,
WHEELAND, ZIMMERMAN AND MERCURI, APRIL 20, 2021

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JANUARY 25, 2022

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 relating to employee stock ownership plans.

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)~~ (A.11) The provisions of sections 402(e)(4) and 1042 <--
19 of the Internal Revenue Code of 1986 (26 U.S.C. §§ 402(e)(4) and
20 1042), as amended, IN EFFECT ON THE EFFECTIVE DATE OF THIS <--
21 SUBSECTION shall be applicable.

1 * * *

2 Section 2. The addition of section ~~303(a.10)~~ 303(A.11) of <--
3 the act shall apply to taxable years beginning after ~~January 1,~~ <--
4 ~~2021~~ DECEMBER 31, 2020. <--

5 Section 3. This act shall take effect ~~in 60 days~~ <--
6 IMMEDIATELY. <--