AN ACT

Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties," in personal income tax, further providing for declarations of estimated tax; IN REALTY TRANSFER TAX, FURTHER PROVIDING FOR TRANSFER OF TAX; PROVIDING FOR PENNSYLVANIA ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY (PA EDGE) TAX CREDITS; IMPOSING PENALTIES FOR NONCOMPLIANCE; AND MAKING EDITORIAL CHANGES.

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

Section 1. Section 325(a) and (d) introductory paragraph of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, are amended to read:

SECTION 1. SECTIONS 325(A) AND (D) INTRODUCTORY PARAGRAPH AND 1102-C.6(B) AND ARTICLE XVII-L HEADING OF THE ACT OF MARCH
4, 1971 (P.L.6, No.2), known as the tax reform code of 1971, are amended to read:

Section 325. Declarations of Estimated Tax.--(a) (1) Every resident and nonresident individual, trust and estate shall at the time hereinafter prescribed make a declaration of his or its estimated tax for the taxable year, containing such information as the department may prescribe by regulations, if his or its income, other than from income on which tax is withheld under this article, can reasonably be expected to exceed [eight thousand dollars ($8,000).] the following dollar amount for the applicable taxable year:

<table>
<thead>
<tr>
<th>TAXABLE YEAR</th>
<th>DOLLAR AMOUNT</th>
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</thead>
<tbody>
<tr>
<td>2022 2023 and prior</td>
<td>$8,000</td>
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<tr>
<td>2023 2024</td>
<td>9,500</td>
</tr>
<tr>
<td>2024 2025</td>
<td>11,000</td>
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<td>2025 2026</td>
<td>14,000</td>
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<td>2026 2027</td>
<td>17,000</td>
</tr>
<tr>
<td>2027 2028</td>
<td>20,000</td>
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</table>

(2) For taxable years beginning after December 31, 2027, the dollar amount under paragraph (1) shall increase annually by five hundred dollars ($500). The department shall submit a notice containing the new dollar amount for the taxable year to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

* * *

(d) Except as hereinafter provided, the date for filing a declaration of estimated tax shall depend upon when the resident or nonresident individual, trust or estate determines that his or its income on which no tax has been withheld under this article can reasonably be expected to exceed [eight thousand dollars ($8,000).]
dollars ($8,000) in the taxable year,] the dollar amount under subsection (a), as follows:

* * *

SECTION 1102-C.6. TRANSFER OF TAX.--* * *

(B) THE AMOUNT TRANSFERRED UNDER SUBSECTION (A) MAY NOT EXCEED [FORTY MILLION DOLLARS ($40,000,000).] THE FOLLOWING:

(1) FOR EACH FISCAL YEAR BEGINNING AFTER JUNE 30, 2019, AND ENDING PRIOR TO JULY 1, 2023, FORTY MILLION DOLLARS ($40,000,000).

(2) FOR THE FISCAL YEAR BEGINNING JULY 1, 2023, AND EACH FISCAL YEAR THEREAFTER, SIXTY MILLION DOLLARS ($60,000,000).

* * *

ARTICLE XVII-L

[LOCAL RESOURCE MANUFACTURING TAX CREDIT] PENNSYLVANIA ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY (PA EDGE) TAX CREDITS

SECTION 2. ARTICLE XVII-L OF THE ACT IS AMENDED BY ADDING A SUBARTICLE HEADING TO READ:

SUBARTICLE A

PRELIMINARY PROVISIONS

SECTION 3. SECTION 1701-L OF THE ACT IS AMENDED TO READ:

SECTION 1701-L. SCOPE OF ARTICLE.

THIS ARTICLE [ESTABLISHES A LOCAL RESOURCE MANUFACTURING TAX CREDIT.] RELATES TO PENNSYLVANIA ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY (PA EDGE) TAX CREDITS.

SECTION 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

SECTION 1702-L. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

"CAPITAL INVESTMENT." THE AMOUNT OF MONEY OR ASSETS INVESTED
BY A QUALIFIED TAXPAYER IN CONSTRUCTING AND PLACING INTO SERVICE
ONE OF THE FOLLOWING IN THIS COMMONWEALTH:

(1) A PROJECT FACILITY AS DEFINED IN SECTION 1711-L.
(2) A PROJECT FACILITY AS DEFINED IN SECTION 1731-L.
(3) A PROJECT FACILITY AS DEFINED IN SECTION 1751-L.
(4) A PROJECT FACILITY AS DEFINED IN SECTION 1771-L.

"COMPANY." A CORPORATION, PARTNERSHIP, LIMITED LIABILITY
COMPANY, LIMITED LIABILITY PARTNERSHIP, BUSINESS TRUST,
AFFILIATE, UNINCORPORATED JOINT VENTURE OR OTHER BUSINESS ENTITY
DOING BUSINESS IN THIS COMMONWEALTH.

"DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

"DOWNSTREAM COMPANY." A COMPANY THAT PURCHASES PRODUCTS OR
CHEMICAL COMPOUNDS MANUFACTURED OR PROCESSED BY A QUALIFIED
TAXPAYER.

"FULL-TIME-EQUIVALENT JOB." THE QUOTIENT OBTAINED BY
DIVIDING THE TOTAL NUMBER OF HOURS FOR WHICH EMPLOYEES WERE
COMPENSATED FOR EMPLOYMENT OVER THE PRECEDING 12-MONTH PERIOD BY
2,080.

"NATURAL GAS." AS DEFINED IN 58 PA.C.S. § 2301 (RELATING TO
DEFINITIONS).

"NEW JOB." A FULL-TIME-EQUIVALENT JOB CREATED DURING THE
CONSTRUCTION OF THE PROJECT FACILITY AND PAYING THE PREVAILING
MINIMUM WAGE AND BENEFIT RATES FOR EACH CRAFT OR CLASSIFICATION
AS DETERMINED BY THE DEPARTMENT OF LABOR AND INDUSTRY UNDER THE
PREVAILING WAGE ACT.

"PASS-THROUGH ENTITY." ANY OF THE FOLLOWING:

(1) A PARTNERSHIP AS DEFINED IN SECTION 301(N.0).
(2) A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION
301(N.1).
(3) AN UNINCORPORATED ENTITY SUBJECT TO SECTION 307.21.
"PERMANENT JOB." A FULL-TIME-EQUIVALENT JOB CREATED TO
SUPPORT THE ONGOING OPERATION OF THE PROJECT FACILITY.

"PREVAILING WAGE ACT." THE ACT OF AUGUST 15, 1961 (P.L.987,
NO.442), KNOWN AS THE PENNSYLVANIA PREVAILING WAGE ACT.

"QUALIFIED TAX LIABILITY." THE LIABILITY FOR TAXES IMPOSED
UNDER ARTICLES III, IV, VII, VIII, IX, XI AND XV. THE TERM DOES
NOT INCLUDE TAX WITHHELD UNDER SECTION 316.1.

"TAX CREDIT." THE PENNSYLVANIA ECONOMIC DEVELOPMENT FOR A
GROWING ECONOMY (PA EDGE) TAX CREDIT PROVIDED UNDER THIS
ARTICLE.

"UNIT." ONE THOUSAND CUBIC FEET OF NATURAL GAS AT A
TEMPERATURE OF 60 DEGREES FAHRENHEIT AND AN ABSOLUTE PRESSURE OF
14.73 POUNDS PER SQUARE INCH, IN ACCORDANCE WITH AMERICAN GAS
ASSOCIATION STANDARDS AND ACCORDING TO BOYLE'S LAW FOR THE
MEASUREMENT OF GAS UNDER VARYING PRESSURES WITH DEVIATIONS
THEREFROM AS FOLLOWS:

(1) THE AVERAGE ABSOLUTE ATMOSPHERIC PRESSURE SHALL BE
ASSUMED TO BE 14.4 POUNDS TO THE SQUARE INCH, NOTWITHSTANDING
THE ACTUAL ELEVATION OR LOCATION OF POINT OF DELIVERY ABOVE
SEA LEVEL OR VARIATIONS IN THE ATMOSPHERIC PRESSURE.

(2) THE TEMPERATURE OF THE GAS PASSING THE METERS SHALL
BE DETERMINED BY THE CONTINUOUS USE OF A RECORDING
THERMOMETER INSTALLED SO THAT THE THERMOMETER MAY PROPERLY
RECORD THE TEMPERATURE OF THE GAS FLOWING THROUGH THE METERS.
THE ARITHMETIC AVERAGE OF THE TEMPERATURE Recorder EACH 24-
HOUR DAY SHALL BE USED IN COMPUTING GAS VOLUMES. IF A
RECORDING THERMOMETER IS NOT INSTALLED, OR IF INSTALLED AND
NOT OPERATING PROPERLY, AN AVERAGE FLOWING TEMPERATURE OF 60
DEGREES FAHRENHEIT SHALL BE USED IN COMPUTING GAS VOLUME.

(3) THE SPECIFIC GRAVITY OF THE GAS SHALL BE DETERMINED
BY TESTS MADE BY THE USE OF AN EDWARDS OR ACME GRAVITY
BALANCE ANNUALLY OR AT INTERVALS AS ARE FOUND NECESSARY IN
PRACTICE. SPECIFIC GRAVITY SHALL BE USED IN COMPUTING GAS
VOLUMES.

(4) THE DEVIATION OF THE NATURAL GAS FROM BOYLE'S LAW
SHALL BE DETERMINED BY TESTS ANNUALLY OR AT OTHER SHORTER
INTERVALS AS ARE FOUND NECESSARY IN PRACTICE. THE APPARATUS
AND THE METHOD TO BE USED IN MAKING THE TESTS SHALL BE IN
ACCORDANCE WITH RECOMMENDATIONS OF THE NATIONAL BUREAU OF
STANDARDS OF THE DEPARTMENT OF COMMERCE OR REPORT NO. 3 OF
THE GAS MEASUREMENT COMMITTEE OF THE AMERICAN GAS ASSOCIATION
ON THE EFFECTIVE DATE OF THIS SECTION. THE RESULTS OF THE
TESTS SHALL BE USED IN COMPUTING THE VOLUME OF GAS DELIVERED.

"UPSTREAM COMPANY." THE TERM INCLUDES A COMPANY THAT IS
ENGAGED IN THE EXPLORATION, DEVELOPMENT, MANUFACTURING,
PRODUCTION, PROCESSING, REFINING OR TRANSPORTATION OF NATURAL
GAS, CLEAN HYDROGEN, MILK OR PRODUCTS USED IN SEMICONDUCTOR
MANUFACTURING, BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH
IN THIS COMMONWEALTH.

SECTION 5. ARTICLE XVII-L OF THE ACT IS AMENDED BY ADDING A
SUBARTICLE HEADING TO READ:

SUBARTICLE B
LOCAL RESOURCE MANUFACTURING

SECTION 6. SECTION 1702-L OF THE ACT IS AMENDED TO READ:
SECTION [1702-L] 1711-L. DEFINITIONS.
THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS [ARTICLE]
SUBARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION
UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:
"COMPANY." A CORPORATION, PARTNERSHIP, LIMITED LIABILITY
COMPANY, LIMITED LIABILITY PARTNERSHIP, BUSINESS TRUST,
AFFILIATE, UNINCORPORATED JOINT VENTURE OR OTHER BUSINESS ENTITY DOING BUSINESS IN THIS COMMONWEALTH.

"DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

"DOWNSTREAM COMPANY." THE TERM INCLUDES A COMPANY THAT PURCHASES CHEMICAL PRODUCTS OR CHEMICAL COMPOUNDS MANUFACTURED OR PROCESSED BY A QUALIFIED TAXPAYER.

"DRY NATURAL GAS." NATURAL GAS IN WHICH THERE ARE NO APPRECIABLE NATURAL GAS LIQUIDS RECOVERABLE BY SEPARATION AT THE WELLHEAD.

"FERTILIZER." A CHEMICAL PRODUCT DERIVED FROM PETROCHEMICALS WHICH IS ADDED TO SOIL OR LAND TO INCREASE FERTILITY.

"NATURAL GAS." AS DEFINED IN 58 PA.C.S. § 2301 (RELATING TO DEFINITIONS).

"NATURAL GAS LIQUIDS." AS DEFINED IN 58 PA.C.S. § 3203 (RELATING TO DEFINITIONS).


"PASS-THROUGH ENTITY." ANY OF THE FOLLOWING:

(1) A PARTNERSHIP AS DEFINED IN SECTION 301(N.0).

(2) A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION 301(N.1).

(3) AN UNINCORPORATED ENTITY SUBJECT TO SECTION 307.21.

"PERMANENT JOB." A FULL-TIME-EQUIVALENT JOB CREATED TO SUPPORT THE ONGOING OPERATION OF THE PROJECT FACILITY.

"PETROCHEMICAL." CHEMICAL PRODUCTS OBTAINED FROM REFINING AND PROCESSING NATURAL GAS. THE TERM DOES NOT INCLUDE LIQUEFACTION OR OTHER PROCESSING OF NATURAL GAS FOR THE PURPOSE
OF TRANSPORT.

["PREVAILING WAGE ACT." THE ACT OF AUGUST 15, 1961 (P.L.987, NO.442), KNOWN AS THE PENNSYLVANIA PREVAILING WAGE ACT.]

"PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH WHICH MANUFACTURES PETROCHEMICALS OR FERTILIZERS USING DRY NATURAL GAS AND WHICH REQUIRED A CAPITAL INVESTMENT OF AT LEAST $400,000,000 TO CONSTRUCT AND PLACE INTO SERVICE.

["QUALIFIED TAX LIABILITY." THE LIABILITY FOR TAXES IMPOSED UNDER ARTICLES III, IV, VII, VIII, IX, XI AND XV. THE TERM DOES NOT INCLUDE TAX WITHHELD UNDER SECTION 316.1.]

"QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE FOLLOWING:

(1) PURCHASES AND USES DRY NATURAL GAS PRODUCED IN THIS COMMONWEALTH IN THE MANUFACTURE OF PETROCHEMICALS OR FERTILIZERS AT A PROJECT FACILITY IN THIS COMMONWEALTH THAT HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

(2) HAS MADE A CAPITAL INVESTMENT OF AT LEAST $400,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

(3) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 800 NEW JOBS AND PERMANENT JOBS.

(4) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY, AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

(5) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE PROJECT FACILITY OR FOR WORK COVERED BY [SECTION 1713-L SUBARTICLE F ARE PAID AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR EACH CRAFT OR CLASSIFICATION AS
DETERMINED BY THE DEPARTMENT OF LABOR AND INDUSTRY.

(6) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS PROCUREMENT ACT.

"TAX CREDIT." THE LOCAL RESOURCE MANUFACTURING TAX CREDIT PROVIDED UNDER THIS ARTICLE.

"UNIT." ONE THOUSAND CUBIC FEET OF NATURAL GAS AT A TEMPERATURE OF 60 DEGREES FAHRENHEIT AND AN ABSOLUTE PRESSURE OF 14.73 POUNDS PER SQUARE INCH, IN ACCORDANCE WITH AMERICAN GAS ASSOCIATION STANDARDS AND ACCORDING TO BOYLE'S LAW FOR THE MEASUREMENT OF GAS UNDER VARYING PRESSURES WITH DEVIATIONS THEREFROM AS FOLLOWS:

(1) THE AVERAGE ABSOLUTE ATMOSPHERIC PRESSURE SHALL BE ASSUMED TO BE 14.4 POUNDS TO THE SQUARE INCH, NOTWITHSTANDING THE ACTUAL ELEVATION OR LOCATION OF POINT OF DELIVERY ABOVE SEA LEVEL OR VARIATIONS IN THE ATMOSPHERIC PRESSURE.

(2) THE TEMPERATURE OF THE GAS PASSING THE METERS SHALL BE DETERMINED BY THE CONTINUOUS USE OF A RECORDING THERMOMETER INSTALLED SO THAT THE THERMOMETER MAY PROPERLY RECORD THE TEMPERATURE OF THE GAS FLOWING THROUGH THE METERS. THE ARITHMETIC AVERAGE OF THE TEMPERATURE RECORDED EACH 24-HOUR DAY SHALL BE USED IN COMPUTING GAS VOLUMES. IF A RECORDING THERMOMETER IS NOT INSTALLED, OR IF INSTALLED AND NOT OPERATING PROPERLY, AN AVERAGE FLOWING TEMPERATURE OF 60 DEGREES FAHRENHEIT SHALL BE USED IN COMPUTING GAS VOLUME.

(3) THE SPECIFIC GRAVITY OF THE GAS SHALL BE DETERMINED BY TESTS MADE BY THE USE OF AN EDWARDS OR ACME GRAVITY BALANCE ANNUALLY OR AT INTERVALS AS ARE FOUND NECESSARY IN PRACTICE. SPECIFIC GRAVITY SHALL BE USED IN COMPUTING GAS
VOLUMES.

(4) THE DEVIATION OF THE NATURAL GAS FROM BOYLE'S LAW
SHALL BE DETERMINED BY TESTS ANNUALLY OR AT OTHER SHORTER
INTERVALS AS ARE FOUND NECESSARY IN PRACTICE. THE APPARATUS
AND THE METHOD TO BE USED IN MAKING THE TESTS SHALL BE IN
ACCORDANCE WITH RECOMMENDATIONS OF THE NATIONAL BUREAU OF
STANDARDS OF THE DEPARTMENT OF COMMERCE OR REPORT NO. 3 OF
THE GAS MEASUREMENT COMMITTEE OF THE AMERICAN GAS ASSOCIATION
ON THE EFFECTIVE DATE OF THIS SECTION. THE RESULTS OF THE
TESTS SHALL BE USED IN COMPUTING THE VOLUME OF GAS DELIVERED.
"UPSTREAM COMPANY." THE TERM INCLUDES A COMPANY THAT IS
ENGAGED IN THE EXPLORATION, DEVELOPMENT, PRODUCTION, PROCESSING,
REFINING OR TRANSPORTATION OF DRY NATURAL GAS IN THIS
COMMONWEALTH.

SECTION 7. SECTION 1703-L OF THE ACT IS RENUMBERED TO READ:
SECTION 1712-L. ELIGIBILITY.
IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY
SHALL DEMONSTRATE THE FOLLOWING:

(1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED
TAXPAYER.

(2) THE USE OF CARBON CAPTURE AND SEQUESTRATION
TECHNOLOGY, OR SIMILAR TECHNOLOGIES, AT THE PROJECT FACILITY
TO THE EXTENT IT IS COST EFFECTIVE AND FEASIBLE AT THE
DISCRETION OF THE QUALIFIED TAXPAYER.

(3) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED
STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE
YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY
ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER
TIMELY APPEAL.

SECTION 8. SECTION 1704-L OF THE ACT, AMENDED JUNE 30, 2021
20210HB1059PN3613 - 10 -
(P.L.124, No.25), IS AMENDED TO READ:

SECTION [1704-L] 1713-L.  APPLICATION AND APPROVAL OF TAX CREDIT.

(A) RATE.--THE TAX CREDIT SHALL BE EQUAL TO $0.47 PER UNIT OF DRY NATURAL GAS THAT IS PURCHASED AND USED IN THE MANUFACTURING OF PETROCHEMICALS OR FERTILIZERS AT THE PROJECT FACILITY BY A QUALIFIED TAXPAYER.

(B) APPLICATION.--

(1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR A TAX CREDIT UNDER THIS SECTION.

(2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR DRY NATURAL GAS PURCHASED AND USED IN MANUFACTURING OF PETROCHEMICALS OR FERTILIZERS BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY DURING THE PRIOR CALENDAR YEAR.

(3) THE APPLICATION MUST BE ON THE FORM REQUIRED BY THE DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

(I) INFORMATION REQUIRED BY THE DEPARTMENT TO DOCUMENT THE AMOUNT OF DRY NATURAL GAS PURCHASED AND USED IN THE MANUFACTURE OF PETROCHEMICALS OR FERTILIZERS AT THE PROJECT FACILITY;

(II) INFORMATION REQUIRED BY THE DEPARTMENT TO VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

(III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS APPROPRIATE.

(C) REVIEW AND APPROVAL.--

(1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

(2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A CERTIFICATE STATING THE AMOUNT OF TAX CREDIT GRANTED FOR DRY
NATURAL GAS PURCHASED AND USED IN THE MANUFACTURE OF
PETROCHEMICALS OR FERTILIZERS AT THE PROJECT FACILITY IN THE
PRIOR CALENDAR YEAR.

(D) AVAILABILITY OF TAX CREDITS.--

(1) EACH FISCAL YEAR, [26,666,668] $56,666,668 IN TAX
CREDITS SHALL BE MADE AVAILABLE TO THE DEPARTMENT IN
ACCORDANCE WITH THIS [ARTICLE] SUBARTICLE.

(2) NO MORE THAN TWO QUALIFIED TAXPAYERS SHALL RECEIVE A
TAX CREDIT ANNUALLY, FOR A MAXIMUM CREDIT OF $6,666,667 EACH.

(3) THE DEPARTMENT SHALL ISSUE UNALLOCATED TAX CREDITS
TO NO MORE THAN ONE QUALIFIED TAXPAYER, NOTWITHSTANDING THE
MAXIMUM CREDIT LIMIT UNDER PARAGRAPH (2), IF THE QUALIFIED
TAXPAYER:

   (I) HAS MADE A TOTAL CAPITAL INVESTMENT OF AT LEAST
   $1,000,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY
   AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS
   COMMONWEALTH;

   (II) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 1,800
   NEW JOBS AND PERMANENT JOBS; AND

   (III) HAS SATISFIED ALL OTHER ELIGIBILITY
   REQUIREMENTS FOR A QUALIFIED TAXPAYER UNDER THIS
   [ARTICLE] SUBARTICLE.

(4) FOR PURPOSES OF PARAGRAPH (3), THE TERM "UNALLOCATED
TAX CREDITS" MEANS THE DIFFERENCE BETWEEN TAX CREDITS
AUTHORIZED UNDER PARAGRAPH (1) AND APPROVED UNDER PARAGRAPH
(2).

SECTION 9. SECTION 1705-L OF THE ACT IS AMENDED TO READ:

SECTION 1705-L. USE OF TAX CREDITS.

(A) INITIAL USE.--PRIOR TO SALE OR ASSIGNMENT OF A TAX
CREDIT UNDER SECTION 1707-L, A QUALIFIED TAXPAYER MUST
FIRST USE A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

(B) ELIGIBILITY.--THE TAX CREDIT MAY BE APPLIED AGAINST UP TO 20% OF THE QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

(C) LIMIT.--A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX CREDIT UNDER THIS ARTICLE SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER TAX CREDIT PROVIDED UNDER THIS ACT.

SECTION 10. SECTION 1706-L OF THE ACT IS RENUMBERED TO READ: SECTION 1715-L. CARRYOVER, CARRYBACK AND REFUND.

A TAX CREDIT CANNOT BE CARRIED BACK, CARRIED FORWARD OR BE USED TO OBTAIN A REFUND.

SECTION 11. SECTIONS 1707-L, 1708-L AND 1709-L OF THE ACT ARE AMENDED TO READ:

SECTION 1716-L. SALE OR ASSIGNMENT.

(A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

(B) APPLICATION.--

(1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A FORM REQUIRED BY THE DEPARTMENT.

(2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST RECEIVE:

(I) A FINDING FROM THE DEPARTMENT THAT THE APPLICANT
HAS:

(A) FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

(B) PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

(II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, A CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX CREDIT:

(A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX CREDIT UNDER SECTION 1704-L(C) 1713-L(C); AND

(B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE PERIOD UNDER CLAUSE (A).

(C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT. SECTION 1708-L 1717-L. PURCHASERS AND ASSIGNEES.

(A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1707-L 1716-L MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE PURCHASE OR ASSIGNMENT IS MADE.

(B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER OR ASSIGNEE UNDER SECTION 1707-L 1716-L MAY USE AGAINST ANY ONE QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE TAXABLE YEAR.

(C) RESALE AND ASSIGNMENT.--

(1) A PURCHASER UNDER SECTION 1707-L 1716-L MAY NOT
SELL OR ASSIGN THE PURCHASED TAX CREDIT.

(2) AN ASSIGNEE UNDER SECTION [1707-L] 1716-L MAY NOT
SELL OR ASSIGN THE ASSIGNED TAX CREDIT.

(D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION [1707-]
1716-L SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR
OF THE TAX CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
DEPARTMENT.

SECTION [1709-L] 1718-L. PASS-THROUGH ENTITY.

(A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS
IN PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME
TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE ENTITLED.

(B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
(A) MAY NOT BE CLAIMED BY:

(1) THE PASS-THROUGH ENTITY; AND

(2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH
ENTITY.

(C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE
UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX
LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES
FOR THE TAXABLE YEAR.

(D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

(E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A)
MAY NOT SELL OR ASSIGN THE TAX CREDIT.

SECTION 12. SECTION 1710-L OF THE ACT IS RENUMBERED TO READ:

SECTION 13. SECTIONS 1711-L AND 1712-L OF THE ACT ARE
AMENDED TO READ:

SECTION [1711-L] 1720-L. ADMINISTRATION.

(A) AUDITS AND ASSESSMENTS.--

(1) THE DEPARTMENT MAY AUDIT A TAXPAYER AWARDED A TAX CREDIT TO ASCERTAIN THE VALIDITY OF THE AMOUNT AWARDED.

(2) THE DEPARTMENT MAY ISSUE AN ASSESSMENT AGAINST A TAXPAYER FOR AN IMPROPERLY ISSUED TAX CREDIT. THE PROCEDURES, COLLECTION, ENFORCEMENT AND APPEALS OF AN ASSESSMENT MADE UNDER THIS SECTION SHALL BE GOVERNED BY ARTICLE II.


SECTION [1712-L] 1721-L. REPORTS TO GENERAL ASSEMBLY.


(B) RECONCILIATION REPORT.--ON MAY 1 OF THE YEAR WHICH IS 10
YEARS AFTER THE YEAR IN WHICH TAX CREDITS ARE FIRST AWARDED
UNDER THIS [ARTICLE] SUBARTICLE, THE DEPARTMENT SHALL SUBMIT TO
THE SECRETARY OF THE SENATE AND THE CHIEF CLERK OF THE HOUSE OF
REPRESENTATIVES A RECONCILIATION REPORT ON THE EFFECTIVENESS OF
THIS [ARTICLE] SUBARTICLE. THE REPORT SHALL INCLUDE, TO THE
EXTENT POSSIBLE, THE FOLLOWING INFORMATION FOR THE PRECEDING 10
YEARS:

(1) THE NAME AND BUSINESS ADDRESS OF ALL QUALIFIED
TAXPAYERS WHO HAVE BEEN GRANTED TAX CREDITS UNDER THIS
[ARTICLE] SUBARTICLE.

(2) THE AMOUNT OF TAX CREDITS GRANTED TO EACH QUALIFIED
TAXPAYER.

(3) THE TOTAL NUMBER OF JOBS CREATED BY THE QUALIFIED
TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY
COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES
THAT SUPPORT THE BUSINESS OPERATIONS OF THE QUALIFIED
TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY. THIS
PARAGRAPH INCLUDES THE AVERAGE ANNUAL SALARY AND HOURLY WAGE
INFORMATION.

(4) THE AMOUNT OF TAXES PAID UNDER ARTICLE II BY THE
QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY
AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER
SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE
QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

(5) THE AMOUNT OF TAXES WITHHELD FROM EMPLOYEES OR PAID
BY MEMBERS, PARTNERS OR SHAREHOLDERS OF THE PASS-THROUGH
ENTITIES UNDER ARTICLE III OF THE QUALIFIED TAXPAYER,
UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY COMPANIES
THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES THAT SUPPORT
THE BUSINESS OPERATIONS OF THE QUALIFIED TAXPAYER, UPSTREAM
COMPANY AND DOWNSTREAM COMPANY.

(6) THE AMOUNT OF TAXES PAID UNDER ARTICLE IV BY THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

(7) THE AMOUNT OF TAXES PAID UNDER ARTICLE XI BY THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

(8) THE AMOUNT OF ANY OTHER STATE OR LOCAL TAXES PAID BY THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY AND ANY COMPANIES THAT PROVIDE GOODS, UTILITIES OR OTHER SERVICES THAT SUPPORT THE BUSINESS OPERATIONS OF THE QUALIFIED TAXPAYER, UPSTREAM COMPANY AND DOWNSTREAM COMPANY.

(9) ANY OTHER INFORMATION PERTAINING TO THE ECONOMIC IMPACT OF THIS [ARTICLE] SUBARTICLE ON THIS COMMONWEALTH.

(C) REDUCTION.--IF THE RECONCILIATION REPORT ISSUED UNDER SUBSECTION (B) REVEALS THAT THE TOTAL AMOUNT OF THE TAX CREDITS GRANTED UNDER THIS [ARTICLE] SUBARTICLE EXCEEDS THE TOTAL AMOUNT OF TAX REVENUE REPORTED UNDER SUBSECTION (B)(4), (5), (6), (7), (8) AND (9), THE REPORT MUST INCLUDE ANY RECOMMENDATION FOR CHANGES IN THE CALCULATION OF THE CREDIT.

(D) PUBLICATION.--THE REPORTS REQUIRED BY THIS SECTION SHALL BE A PUBLIC RECORD AS DEFINED UNDER SECTION 102 OF THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW, AND SHALL BE AVAILABLE ELECTRONICALLY ON THE PUBLICLY ACCESSIBLE INTERNET WEBSITE OF THE DEPARTMENT. THE REPORTS REQUIRED UNDER THIS SECTION MAY NOT CONTAIN "CONFIDENTIAL PROPRIETARY
SECTION 14. SECTION 1713-L OF THE ACT IS REPEALED:

[SECTION 1713-L. PREVAILING WAGE.]

(A) APPLICATION.--A PROJECT FACILITY FOR WHICH A TAX CREDIT IS SOUGHT AND AWARDED UNDER THIS ARTICLE IS DEEMED TO MEET EACH OF THE MINIMUM REQUIREMENTS NECESSARY TO APPLY THE WAGE AND BENEFIT RATES, AND RELATED CERTIFICATION OF PAYROLL RECORDS, REQUIRED BY THE PREVAILING WAGE ACT. A QUALIFIED TAXPAYER, OR THE QUALIFIED TAXPAYER'S AGENT, AND ALL CONTRACTORS AND SUBCONTRACTORS, OF EVERY TIER, ENGAGED TO PERFORM ON THE PROJECT FACILITY MUST COMPLY WITH ALL PROVISIONS AND REQUIREMENTS OF THE PREVAILING WAGE ACT FOR ALL NEW JOBS AND FOR ALL CRAFTS OR CLASSIFICATIONS PERFORMING CONSTRUCTION, RECONSTRUCTION, DEMOLITION, ALTERATION AND/OR REPAIR WORK, OTHER THAN MAINTENANCE WORK, UNDERTAKEN AT THE PROJECT FACILITY DURING THE INITIAL CONSTRUCTION AND DURING ANY PERIOD IN WHICH TAX CREDITS ARE SOUGHT AND AWARDED FOR THE PROJECT FACILITY.

(B) COMPLIANCE.--THE DEPARTMENT OF LABOR AND INDUSTRY SHALL ENFORCE THIS SECTION AND SHALL APPLY THE SAME ADMINISTRATION AND ENFORCEMENT APPLICABLE TO ANY PROJECT OF CONSTRUCTION, RECONSTRUCTION, DEMOLITION, ALTERATION AND/OR REPAIR WORK, OTHER THAN MAINTENANCE WORK, UNDERTAKEN PURSUANT TO THE REQUIREMENTS OF THE PREVAILING WAGE ACT TO ENSURE COMPLIANCE.

(C) NOTIFICATION.--PRIOR TO THE SOLICITATION OF BIDS OR PROPOSALS OF ANY CONTRACT OR SUBCONTRACT COVERED UNDER SUBSECTION (A), THE QUALIFIED TAXPAYER, OR THE QUALIFIED TAXPAYER'S AGENT, SHALL NOTIFY THE DEPARTMENT OF LABOR AND INDUSTRY OF THE SOLICITATION AND REQUEST THE ISSUANCE OF A WAGE AND BENEFIT RATE DETERMINATION FOR ALL CRAFTS AND CLASSIFICATIONS ANTICIPATED TO PERFORM AT THE PROJECT FACILITY.
RATE REQUESTS SHALL BE IN CONFORMITY WITH THE PROCEDURES OF THE PREVAILING WAGE ACT, AND THE DEPARTMENT OF LABOR AND INDUSTRY SHALL ISSUE RATES UPON REQUEST AS REQUIRED PURSUANT TO THIS SECTION AND THE PROVISIONS OF THE PREVAILING WAGE ACT.

(D) VIOLATION.--IN ADDITION TO ENFORCEMENT AUTHORIZED UNDER THE PREVAILING WAGE ACT AND SUBSECTION (B), IF, AFTER NOTICE AND HEARING, THE DEPARTMENT OF LABOR AND INDUSTRY DETERMINES THAT THE QUALIFIED TAXPAYER INTENTIONALLY FAILED TO PAY OR INTENTIONALLY CAUSED ANOTHER TO FAIL TO PAY PREVAILING WAGE RATES OR BENEFIT RATES AS SET FORTH UNDER SECTION 11(H) OF THE PREVAILING WAGE ACT FOR WORK COVERED UNDER SUBSECTION (A), OR RATIFIED ANY SUCH INTENTIONAL FAILURE BY ANY CONTRACTORS OR SUBCONTRACTORS OF THE QUALIFIED TAXPAYER, THE QUALIFIED TAXPAYER SHALL BE REQUIRED TO REFUND 10% OF THE AMOUNT OF THE TAX CREDITS AWARDED TO THE QUALIFIED TAXPAYER FOR THE FIRST FISCAL YEAR FOR WHICH TAX CREDITS ARE AWARDED, IN THE CASE OF INITIAL CONSTRUCTION, OR THE FISCAL YEAR IN WHICH THE INTENTIONAL NONCOMPLIANCE OCCURRED AS DETERMINED BY THE DEPARTMENT.

(E) APPEAL.--A FINDING OF A VIOLATION UNDER SUBSECTION (D) SHALL BE APPEALABLE UNDER SECTION 2.2(E)(1) OF THE PREVAILING WAGE ACT AND 34 PA. CODE § 213.3 (RELATING TO APPEALS FROM DETERMINATIONS OF THE SECRETARY). ANY FINAL DETERMINATION BY THE APPEALS BOARD UNDER THE PREVAILING WAGE ACT MAY BE APPEALED PURSUANT TO 2 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE).

SECTION 15. SECTIONS 1714-L AND 1715-L OF THE ACT ARE AMENDED TO READ:

SECTION [1714-L] 1722-L. APPLICABILITY.

THIS [ARTICLE] SUBARTICLE SHALL APPLY TO THE PURCHASE OF DRY NATURAL GAS PRODUCED IN THIS COMMONWEALTH FOR THE PERIOD 20210HB1059PN3613
BEGINNING JANUARY 1, 2024, AND ENDING DECEMBER 31, 2049.

SECTION [1715-L] 1723-L. EXPIRATION.

THIS [ARTICLE] SUBARTICLE SHALL EXPIRE DECEMBER 31, 2050.

SECTION 16. ARTICLE XVII-L OF THE ACT IS AMENDED BY ADDING SUBARTICLES TO READ:

SUBARTICLE C

PENNSYLVANIA MILK PROCESSING

SECTION 1731-L. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

"GALLON." A UNITED STATES LIQUID GALLON EQUAL TO A VOLUME OF 231 CUBIC INCHES AND EQUAL TO 3.785411784 LITERS OR 0.13368 CUBIC FEET, WHERE VOLUMETRIC MEASUREMENTS MADE AT AMBIENT FLOWING CONDITIONS ARE TYPICALLY ADJUSTED FOR COMPOSITION AND TO STANDARD CONDITIONS USING ESTABLISHED INDUSTRY STANDARD PRACTICES.

"MILK." THE LACTEAL SECRETION, PRACTICALLY FREE FROM COLOSTRUM, OBTAINED BY THE COMPLETE MILKING OF ONE OR MORE HEALTHY COWS.

"PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH WHICH IS OWNED AND OPERATED BY A QUALIFIED TAXPAYER AND WHICH UTILIZES MILK PURCHASED FROM SOURCES WITHIN THIS COMMONWEALTH AND PROCESSED BY A QUALIFIED TAXPAYER AT THE PROJECT FACILITY.

"QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE FOLLOWING:

(1) PURCHASES AND PROCESSES MILK PRODUCED IN THIS COMMONWEALTH AT A PROJECT FACILITY IN THIS COMMONWEALTH THAT HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.
HAS MADE A CAPITAL INVESTMENT OF AT LEAST $500,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

HAS CREATED A MINIMUM AGGREGATE TOTAL OF 1,200 NEW JOBS AND PERMANENT JOBS.

HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY, AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT OF LABOR AND INDUSTRY.

THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS PROCUREMENT ACT.

SECTION 1732-L. ELIGIBILITY.

IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY SHALL DEMONSTRATE THE FOLLOWING:

(1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED TAXPAYER.

(2) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER TIMELY APPEAL.

SECTION 1733-L. APPLICATION AND APPROVAL OF TAX CREDIT.

(A) RATE.--THE TAX CREDIT SHALL BE EQUAL TO $0.05 PER GALLON
OF MILK PURCHASED AND PRODUCED FROM SOURCES EXCLUSIVELY WITHIN
THIS COMMONWEALTH AND PROCESSED AT THE PROJECT FACILITY BY A
QUALIFIED TAXPAYER.

(B) APPLICATION.--

(1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR
A TAX CREDIT UNDER THIS SECTION.

(2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT
BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR MILK PURCHASED AND
PROCESSED BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY
DURING THE PRIOR CALENDAR YEAR.

(3) THE APPLICATION MUST BE ON THE FORM REQUIRED BY THE
DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

(I) INFORMATION REQUIRED BY THE DEPARTMENT TO
DOCUMENT THE AMOUNT OF MILK PURCHASED AND PROCESSED AT
THE PROJECT FACILITY;

(II) INFORMATION REQUIRED BY THE DEPARTMENT TO
VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

(III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
APPROPRIATE.

(C) REVIEW AND APPROVAL.--

(1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND
SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

(2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
CERTIFICATE STATING THE AMOUNT OF TAX CREDIT GRANTED FOR MILK
PURCHASED AND PROCESSED AT THE PROJECT FACILITY IN THE PRIOR
CALENDAR YEAR.

(D) AVAILABILITY OF TAX CREDITS.--

(1) EACH FISCAL YEAR, $15,000,000 IN TAX CREDITS SHALL
BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS
SUBARTICLE.
(2) The department shall issue up to $15,000,000 in tax credits in a fiscal year to the qualified taxpayer which first meets the qualifications to receive a tax credit under this subarticle.

(3) An amount under paragraph (1) which remains unallocated under paragraph (2) shall be issued to the qualified taxpayer which next meets the qualifications to receive a tax credit under this subarticle.

(4) The total aggregate amount of tax credits awarded to a qualified taxpayer under this subarticle may not exceed 25% of the capital investment made to construct a project facility and place the project facility into service in this commonwealth.

Section 1734-L. Use of tax credits.

(A) Initial use.—Prior to sale or assignment of a tax credit under section 1736-L, a qualified taxpayer must first use a tax credit against the qualified tax liability incurred in the taxable year for which the tax credit was approved.

(B) Eligibility.—The tax credit may be applied against up to 20% of a qualified taxpayer’s qualified tax liabilities incurred in the taxable year for which the tax credit was approved.

(C) Limit.—A qualified taxpayer that has been granted a tax credit under this subarticle shall be ineligible for any other tax credit provided under this act or a tax benefit as defined in section 1701-A.1.

Section 1735-L. Carryover, carryback and refund.

A tax credit cannot be carried back, carried forward or be used to obtain a refund.

Section 1736-L. Sale or assignment.
(A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

(B) APPLICATION.--

(1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A FORM REQUIRED BY THE DEPARTMENT.

(2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST RECEIVE:

(I) A FINDING FROM THE DEPARTMENT THAT THE APPLICANT HAS:

(A) FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

(B) PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

(II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, A CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX CREDIT:

(A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX CREDIT UNDER SECTION 1733-L(C); AND

(B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE PERIOD UNDER CLAUSE (A).
(C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED
TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT.

SECTION 1737-L. PURCHASERS AND ASSIGNEES.

(A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1736-L
MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE
PURCHASE OR ASSIGNMENT IS MADE.

(B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER
OR ASSIGNEE UNDER SECTION 1736-L MAY USE AGAINST ANY ONE
QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE
QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE
TAXABLE YEAR.

(C) RESALE AND ASSIGNMENT.--

(1) A PURCHASER UNDER SECTION 1736-L MAY NOT SELL OR
ASSIGN THE PURCHASED TAX CREDIT.

(2) AN ASSIGNEE UNDER SECTION 1736-L MAY NOT SELL OR
ASSIGN THE ASSIGNED TAX CREDIT.

(D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1736-L
SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR OF THE TAX
CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
DEPARTMENT.

SECTION 1738-L. PASS-THROUGH ENTITY.

(A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS
IN PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME
TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE ENTITLED.

(B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
(A) MAY NOT BE CLAIMED BY:

(1) THE PASS-THROUGH ENTITY; AND
A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH ENTITY.

(C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES FOR THE TAXABLE YEAR.

(D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

(E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A) MAY NOT SELL OR ASSIGN THE TAX CREDIT.

SECTION 1739-L. (RESERVED).

SECTION 1740-L. GUIDELINES AND REGULATIONS.

THE DEPARTMENT SHALL DEVELOP WRITTEN GUIDELINES FOR THE IMPLEMENTATION OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE IMPLEMENTATION OF THE PROVISIONS OF THIS SUBARTICLE.

SECTION 1741-L. REPORT TO GENERAL ASSEMBLY.

(A) REPORT.--

(1) NO LATER THAN THE YEAR AFTER WHICH TAX CREDITS ARE FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH OCTOBER 1 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY SUMMARIZING THE EFFECTIVENESS OF THE TAX CREDIT. THE REPORT SHALL INCLUDE THE NAMES OF ALL QUALIFIED TAXPAYERS UTILIZING THE TAX CREDIT AS OF THE DATE OF THE REPORT AND THE AMOUNT OF TAX CREDITS APPROVED FOR, UTILIZED BY OR SOLD OR ASSIGNED BY EACH QUALIFIED TAXPAYER. THE REPORT SHALL BE SUBMITTED TO THE FOLLOWING:

(I) THE CHAIR AND MINORITY CHAIR OF THE AGRICULTURE AND RURAL AFFAIRS COMMITTEE OF THE SENATE.

(II) THE CHAIR AND MINORITY CHAIR OF THE AGRICULTURE
AND RURAL AFFAIRS COMMITTEE OF THE HOUSE OF
REPRESENTATIVES.

(III) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
COMMITTEE OF THE SENATE.

(IV) THE CHAIR AND MINORITY CHAIR OF THE FINANCE
COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

(2) IN ADDITION TO THE INFORMATION REQUIRED UNDER
PARAGRAPH (1), THE REPORT SHALL INCLUDE THE FOLLOWING
INFORMATION IN A MANNER THAT IS SEPARATED BY GEOGRAPHIC
LOCATION WITHIN THIS COMMONWEALTH:

(I) THE AMOUNT OF TAX CREDITS CLAIMED BY QUALIFIED
TAXPAYERS DURING THE FISCAL YEAR.

(II) THE TOTAL NUMBER OF NEW JOBS AND PERMANENT JOBS
CREATED BY QUALIFIED TAXPAYERS DURING THE FISCAL YEAR,
INCLUDING THE DURATION OF THE JOBS.

(B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING
FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE
REPORT UNDER SUBSECTION (A) SHALL BE PUBLIC INFORMATION, AND ALL
REPORT INFORMATION SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY
ACCESSIBLE INTERNET WEBSITE.

SECTION 1742-L. APPLICABILITY.

(A) DURATION.--THE TAX CREDIT UNDER THIS SUBARTICLE SHALL
APPLY TO THE PURCHASE AND PROCESSING OF MILK PRODUCED IN THIS
COMMONWEALTH FOR A PERIOD OF EIGHT YEARS FROM THE DATE THE FIRST
PROJECT FACILITY IS PLACED INTO SERVICE.

(B) LIMITATION.--THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS
AWARDED BY THE DEPARTMENT UNDER THIS SUBARTICLE MAY NOT EXCEED
$120,000,000.

SUBARTICLE D

REGIONAL CLEAN HYDROGEN HUBS
SECTION 1751-L. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

"CLEAN HYDROGEN." HYDROGEN USED IN A PROJECT WHICH HAS BEEN DETERMINED BY THE UNITED STATES DEPARTMENT OF ENERGY TO DEMONSTRABLY AID ACHIEVEMENT OF THE CLEAN HYDROGEN PRODUCTION STANDARD UNDER SECTION 822 OF THE ENERGY POLICY ACT OF 2005 (PUBLIC LAW 109-58, 11 STAT. 594) BY MITIGATING EMISSIONS ACROSS THE SUPPLY CHAIN THROUGH AGGRESSIVE CARBON CAPTURE, BY MEASURES TO MITIGATE FUGITIVE METHANE EMISSIONS OR BY THE USE OF CLEAN ELECTRICITY OR OTHER TECHNOLOGIES OR PRACTICES APPROVED BY THE UNITED STATES DEPARTMENT OF ENERGY.

"PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH WHICH IS OWNED BY A QUALIFIED TAXPAYER WHICH IS PART OF A REGIONAL CLEAN HYDROGEN HUB DESIGNATED BY THE UNITED STATES DEPARTMENT OF ENERGY AUTHORIZED UNDER SECTION 813 OF THE ENERGY POLICY ACT OF 2005.

"QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE FOLLOWING:


(2) HAS ENTERED INTO A COMMITMENT LETTER UNDER SECTION 1752-L(B) TO PURCHASE CLEAN HYDROGEN FROM A REGIONAL CLEAN HYDROGEN HUB WITHIN THIS COMMONWEALTH FOR USE IN MANUFACTURING AT A PROJECT FACILITY IN THIS COMMONWEALTH WHICH HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.
(3) HAS MADE A CAPITAL INVESTMENT OF AT LEAST $500,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

(4) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 1,200 NEW JOBS AND PERMANENT JOBS.

(5) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY, AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

(6) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT OF LABOR AND INDUSTRY.

(7) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE STEEL PRODUCTS PROCUREMENT ACT.

SECTION 1752-L. ELIGIBILITY.

(A) DEMONSTRATION.--IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY SHALL DEMONSTRATE THE FOLLOWING:

(1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED TAXPAYER.

(2) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER TIMELY APPEAL.

(B) COMMITMENT LETTER.--A COMPANY THAT APPLIES FOR AND RECEIVES A TAX CREDIT UNDER THIS SUBARTICLE SHALL ENTER INTO A
COMMITMENT LETTER WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO PRESCRIBE THE DATE BY WHICH THE PROJECT FACILITY WILL BEGIN TO PURCHASE CLEAN HYDROGEN FROM SOURCES WITHIN THE REGIONAL CLEAN HYDROGEN HUB IN THIS COMMONWEALTH FOR USE IN MANUFACTURING AT THE PROJECT FACILITY.

SECTION 1753-L. APPLICATION AND APPROVAL OF TAX CREDIT.

(A) RATE.--THE TAX CREDIT SHALL BE EQUAL TO ANY ONE OR MORE OF THE FOLLOWING:

(1) $0.81 PER KILOGRAM OF CLEAN HYDROGEN PURCHASED FROM A REGIONAL CLEAN HYDROGEN HUB WITHIN THIS COMMONWEALTH AND USED IN MANUFACTURING AT THE PROJECT FACILITY BY A QUALIFIED TAXPAYER.

(2) $0.47 PER UNIT OF NATURAL GAS THAT IS PURCHASED AND USED IN MANUFACTURING AT THE PROJECT FACILITY BY A QUALIFIED TAXPAYER.

(B) APPLICATION.--

(1) A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR A TAX CREDIT UNDER THIS SECTION.

(2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR CLEAN HYDROGEN OR NATURAL GAS PURCHASED AND USED IN MANUFACTURING BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY DURING THE PRIOR CALENDAR YEAR.

(3) THE APPLICATION MUST BE ON A FORM REQUIRED BY THE DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

(I) INFORMATION REQUIRED BY THE DEPARTMENT TO DOCUMENT THE AMOUNT OF NATURAL GAS PURCHASED AND USED IN MANUFACTURING AT THE PROJECT FACILITY;

(II) INFORMATION REQUIRED BY THE DEPARTMENT TO DOCUMENT THE AMOUNT OF CLEAN HYDROGEN TO BE PURCHASED
FROM SOURCES WITHIN THE REGIONAL CLEAN HYDROGEN HUB IN
THIS COMMONWEALTH AND USED IN MANUFACTURING AT THE
PROJECT FACILITY;

(III) INFORMATION REQUIRED BY THE DEPARTMENT TO
VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

(IV) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS
APPROPRIATE.

(C) REVIEW AND APPROVAL.--

(1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND
SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

(2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
CERTIFICATE STATING THE AMOUNT OF THE TAX CREDIT GRANTED FOR
NATURAL GAS PURCHASED AND USED IN MANUFACTURING AT THE
PROJECT FACILITY IN THE PRIOR CALENDAR YEAR.

(3) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A
CERTIFICATE STATING THE AMOUNT OF THE TAX CREDIT GRANTED FOR
CLEAN HYDROGEN PURCHASED FROM SOURCES LOCATED IN A REGIONAL
CLEAN HYDROGEN HUB LOCATED IN THIS COMMONWEALTH AND USED IN
MANUFACTURING AT THE PROJECT FACILITY IN THE PRIOR CALENDAR
YEAR.

(D) AVAILABILITY OF TAX CREDITS.--

(1) EACH FISCAL YEAR, $50,000,000 IN TAX CREDITS SHALL
BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS
SUBARTICLE.

(2) THE DEPARTMENT SHALL ISSUE UP TO $50,000,000 IN A
FISCAL YEAR TO THE QUALIFIED TAXPAYER WHICH FIRST MEETS THE
QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

(3) AN AMOUNT UNDER PARAGRAPH (1) WHICH REMAINS
UNALLOCATED UNDER PARAGRAPH (2) SHALL BE ISSUED TO THE
QUALIFIED TAXPAYER WHICH NEXT MEETS THE QUALIFICATIONS TO
RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

(4) THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS AWARDED TO A QUALIFIED TAXPAYER UNDER THIS SUBARTICLE MAY NOT EXCEED 50% OF THE CAPITAL INVESTMENT MADE TO CONSTRUCT A PROJECT FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

SECTION 1754-L. USE OF TAX CREDITS.

(A) INITIAL USE.—PRIOR TO SALE OR ASSIGNMENT OF A TAX CREDIT UNDER SECTION 1756-L, A QUALIFIED TAXPAYER MUST FIRST USE A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

(B) ELIGIBILITY.—THE TAX CREDIT MAY BE APPLIED AGAINST UP TO 20% OF THE QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

(C) LIMIT.—A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX CREDIT UNDER THIS SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER TAX CREDIT PROVIDED UNDER THIS ACT OR A TAX BENEFIT AS DEFINED IN SECTION 1701-A.1.

SECTION 1755-L. CARRYOVER, CARRYBACK AND REFUND.

A TAX CREDIT CANNOT BE CARRIED BACK, CARRIED FORWARD OR BE USED TO OBTAIN A REFUND.

SECTION 1756-L. SALE OR ASSIGNMENT.

(A) AUTHORIZATION.—IF THE QUALIFIED TAXPAYER HOLDS A TAX CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

(B) APPLICATION.—

(1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER
MUST SUBMIT AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE
TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A
FORM REQUIRED BY THE DEPARTMENT.

(2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST RECEIVED:

(I) A FINDING FROM THE DEPARTMENT THAT THE APPLICANT HAS:

(A) FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

(B) PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

(II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, A CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX CREDIT:

(A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX CREDIT UNDER SECTION 1753-L(C); AND

(B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE PERIOD UNDER CLAUSE (A).

(C) APPROVAL.—UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT. SECTION 1757-L. PURCHASERS AND ASSIGNEES.

(A) TIME.—THE PURCHASER OR ASSIGNEE UNDER SECTION 1756-L MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE PURCHASE OR ASSIGNMENT IS MADE.

(B) AMOUNT.—THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER
OR ASSIGNEE UNDER SECTION 1756-L MAY USE AGAINST ANY ONE QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE TAXABLE YEAR.

(C) RESALE AND ASSIGNMENT.--

(1) A PURCHASER UNDER SECTION 1756-L MAY NOT SELL OR ASSIGN THE PURCHASED TAX CREDIT.

(2) AN ASSIGNEE UNDER SECTION 1756-L MAY NOT SELL OR ASSIGN THE ASSIGNED TAX CREDIT.

(D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1756-L SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR OF THE TAX CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE DEPARTMENT.

SECTION 1758-L. PASS-THROUGH ENTITY.

(A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS IN PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE ENTITLED.

(B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION (A) MAY NOT BE CLAIMED BY:

(1) THE PASS-THROUGH ENTITY; AND

(2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH ENTITY.

(C) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES FOR THE TAXABLE YEAR.

(D) TIME.--A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE
TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

(E) SALE AND ASSIGNMENT.--A TRANSFEREE UNDER SUBSECTION (A) MAY NOT SELL OR ASSIGN THE TAX CREDIT.

SECTION 1759-L. (RESERVED).

SECTION 1760-L. GUIDELINES AND REGULATIONS.

THE DEPARTMENT SHALL DEVELOP WRITTEN GUIDELINES FOR THE IMPLEMENTATION OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE IMPLEMENTATION OF THE PROVISIONS OF THIS SUBARTICLE.

SECTION 1761-L. REPORT TO GENERAL ASSEMBLY.

(A) REPORT.--

(1) NO LATER THAN THE YEAR AFTER WHICH TAX CREDITS ARE FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH OCTOBER 1 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY SUMMARIZING THE EFFECTIVENESS OF THE TAX CREDIT. THE REPORT SHALL INCLUDE THE NAMES OF ALL QUALIFIED TAXPAYERS UTILIZING THE TAX CREDIT AS OF THE DATE OF THE REPORT AND THE AMOUNT OF TAX CREDITS APPROVED FOR, UTILIZED BY OR SOLD OR ASSIGNED BY EACH QUALIFIED TAXPAYER. THE REPORT SHALL BE SUBMITTED TO ALL OF THE FOLLOWING:

(I) THE CHAIR AND MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE SENATE.

(II) THE CHAIR AND MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

(III) THE CHAIR AND MINORITY CHAIR OF THE FINANCE COMMITTEE OF THE SENATE.

(IV) THE CHAIR AND MINORITY CHAIR OF THE FINANCE COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

(V) THE CHAIR AND MINORITY CHAIR OF THE ENVIRONMENTAL RESOURCES AND ENERGY COMMITTEE OF THE...
SENATE.

(VI) THE CHAIR AND MINORITY CHAIR OF THE
ENVIRONMENTAL RESOURCES AND ENERGY COMMITTEE OF THE HOUSE
OF REPRESENTATIVES.

(2) IN ADDITION TO THE INFORMATION REQUIRED UNDER
PARAGRAPH (1), THE REPORT SHALL INCLUDE THE FOLLOWING
INFORMATION IN A MANNER SEPARATED BY GEOGRAPHIC LOCATION
WITHIN THIS COMMONWEALTH:

(I) THE AMOUNT OF TAX CREDITS CLAIMED BY QUALIFIED
TAXPAYERS DURING THE FISCAL YEAR.

(II) THE TOTAL NUMBER OF NEW JOBS AND PERMANENT JOBS
CREATED BY QUALIFIED TAXPAYERS DURING THE FISCAL YEAR,
INCLUDING THE DURATION OF THE JOBS.

(B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING
FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE
REPORT UNDER SUBSECTION (A) SHALL BE PUBLIC INFORMATION, AND ALL
REPORT INFORMATION SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY
ACCESSIBLE INTERNET WEBSITE.

SECTION 1762-L. APPLICABILITY.

THIS SUBARTICLE SHALL APPLY TO THE PURCHASE OF CLEAN HYDROGEN
FROM SOURCES LOCATED IN A REGIONAL CLEAN HYDROGEN HUB WITHIN
THIS COMMONWEALTH OR NATURAL GAS USED IN MANUFACTURING AT A
PROJECT FACILITY FOR THE PERIOD BEGINNING JANUARY 1, 2024, AND
ENDING DECEMBER 31, 2043.

SUBARTICLE E

SEMICONDUCTOR MANUFACTURING AND BIOMEDICAL
MANUFACTURING AND RESEARCH

SECTION 1771-L. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE
SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
CONTEXT CLEARLY INDICATES OTHERWISE:

"BIOMEDICAL MANUFACTURING." THE MANUFACTURE OF PRODUCTS OR THE CREATION OF PROCESSES THAT ADVANCE THE UNDERSTANDING, TREATMENT AND PREVENTION OF DISEASE.

"BIOMEDICAL RESEARCH." SCIENTIFIC RESEARCH ENCOMPASSING THE APPLICATION OF THE BIOLOGICAL SCIENCES, ESPECIALLY BIOCHEMISTRY, MOLECULAR BIOLOGY AND GENETICS, FOR THE UNDERSTANDING, TREATMENT AND PREVENTION OF DISEASE.

"PROJECT FACILITY." A FACILITY LOCATED IN THIS COMMONWEALTH WHICH IS OWNED AND OPERATED BY THE QUALIFIED TAXPAYER AND WHERE SEMICONDUCTOR MANUFACTURING, BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH IS CONDUCTED BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY.

"QUALIFIED TAXPAYER." A COMPANY THAT SATISFIES ALL OF THE FOLLOWING:

(1) CONDUCTS SEMICONDUCTOR MANUFACTURING, BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH IN THIS COMMONWEALTH AT A PROJECT FACILITY IN THIS COMMONWEALTH THAT HAS BEEN PLACED IN SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

(2) HAS MADE A CAPITAL INVESTMENT OF AT LEAST $200,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS COMMONWEALTH.

(3) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 800 PERMANENT JOBS.

(4) HAS MADE GOOD FAITH EFFORTS TO RECRUIT AND EMPLOY, AND TO ENCOURAGE ANY CONTRACTORS OR SUBCONTRACTORS TO RECRUIT AND EMPLOY, WORKERS FROM THE LOCAL LABOR MARKET FOR EMPLOYMENT DURING THE CONSTRUCTION OF THE PROJECT FACILITY.

(5) HAS DEMONSTRATED THAT THE NEW JOBS CREATED AT THE PROJECT FACILITY OR FOR WORK COVERED BY SUBARTICLE F ARE PAID
AT LEAST THE PREVAILING MINIMUM WAGE AND BENEFIT RATES FOR
EACH CRAFT OR CLASSIFICATION AS DETERMINED BY THE DEPARTMENT
OF LABOR AND INDUSTRY.

(6) THE CONSTRUCTION WORK TO PLACE A PROJECT FACILITY
INTO SERVICE SHALL BE PERFORMED SUBJECT TO THE ACT OF MARCH
3, 1978 (P.L. 6, NO. 3), KNOWN AS THE STEEL PRODUCTS
PROCUREMENT ACT.

"SEMICONDUCTOR MANUFACTURING." THE MANUFACTURE OF COMPONENTS
OR THE CREATION OF ADVANCED PROCESSES OR TECHNOLOGY WITHIN THE
SEMICONDUCTOR MANUFACTURING AND RELATED EQUIPMENT AND MATERIAL
SUPPLIER SECTOR.

SECTION 1772-L. ELIGIBILITY.

IN ORDER TO BE ELIGIBLE TO RECEIVE A TAX CREDIT, A COMPANY
SHALL DEMONSTRATE THE FOLLOWING:

(1) THE COMPANY MEETS THE REQUIREMENTS OF A QUALIFIED
TAXPAYER.

(2) CONFIRMATION THAT THE COMPANY HAS FILED ALL REQUIRED
STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE
YEARS AND PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY
ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER
TIMELY APPEAL.

SECTION 1773-L. APPLICATION AND APPROVAL OF TAX CREDIT.

(A) DETERMINATION OF TAX CREDIT AMOUNT.--THE ANNUAL TAX
CREDIT AMOUNT MAY BE DETERMINED BASED UPON ANY ONE OR MORE OF
THE FOLLOWING:

(1) NO MORE THAN 2.5% OF THE CAPITAL INVESTMENT.

(2) NO MORE THAN 100% OF TAX WITHHELD FROM EMPLOYEES AND
PAID UNDER ARTICLE III OR $20,000, WHICHEVER IS LESS, FOR
EACH PERMANENT JOB AT THE PROJECT FACILITY.

(B) APPLICATION.--
A QUALIFIED TAXPAYER MAY APPLY TO THE DEPARTMENT FOR A TAX CREDIT UNDER THIS SECTION.

(2) THE APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT BY MARCH 1 FOR THE TAX CREDIT CLAIMED FOR SEMICONDUCTOR MANUFACTURING, BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH CONDUCTED BY THE QUALIFIED TAXPAYER AT THE PROJECT FACILITY DURING THE PRIOR CALENDAR YEAR.

(3) THE APPLICATION MUST BE ON THE FORM REQUIRED BY THE DEPARTMENT WHICH SHALL INCLUDE THE FOLLOWING:

(I) INFORMATION REQUIRED BY THE DEPARTMENT TO DOCUMENT THE SEMICONDUCTOR MANUFACTURING, BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH CONDUCTED AT THE PROJECT FACILITY;

(II) INFORMATION REQUIRED BY THE DEPARTMENT TO VERIFY THAT THE APPLICANT IS A QUALIFIED TAXPAYER; AND

(III) ANY OTHER INFORMATION AS THE DEPARTMENT DEEMS APPROPRIATE.

(C) REVIEW AND APPROVAL.--

(1) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS AND SHALL ISSUE AN APPROVAL OR DISAPPROVAL BY MAY 1.

(2) UPON APPROVAL, THE DEPARTMENT SHALL ISSUE A CERTIFICATE STATING THE AMOUNT OF THE TAX CREDIT GRANTED FOR SEMICONDUCTOR MANUFACTURING, BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH CONDUCTED AT THE PROJECT FACILITY IN THE PRIOR CALENDAR YEAR.

(D) AVAILABILITY OF TAX CREDITS.--

(1) EACH FISCAL YEAR, $20,000,000 IN TAX CREDITS SHALL BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS SUBARTICLE.

(2) THE DEPARTMENT SHALL ISSUE UP TO $10,000,000 IN A
FISCAL YEAR TO THE QUALIFIED TAXPAYER ENGAGED IN SEMICONDUCTOR MANUFACTURING WHICH FIRST MEETS THE QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

(3) THE DEPARTMENT SHALL ISSUE UP TO $10,000,000 IN A FISCAL YEAR TO THE QUALIFIED TAXPAYER ENGAGED IN BIOMEDICAL MANUFACTURING OR BIOMEDICAL RESEARCH WHICH FIRST MEETS THE QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

(4) AN AMOUNT UNDER PARAGRAPH (1) WHICH REMAINS UNALLOCATED UNDER PARAGRAPH (2) OR (3) SHALL BE ISSUED TO THE QUALIFIED TAXPAYER WHICH NEXT MEETS THE QUALIFICATIONS TO RECEIVE A TAX CREDIT UNDER THIS SUBARTICLE.

(5) THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS AWARDED TO A QUALIFIED TAXPAYER UNDER THIS SUBARTICLE MAY NOT EXCEED 25% OF THE CAPITAL INVESTMENT MADE TO CONSTRUCT A PROJECT.

SECTION 1774-L. USE OF TAX CREDITS.

(A) INITIAL USE.--PRIOR TO SALE OR ASSIGNMENT OF A TAX CREDIT UNDER SECTION 1776-L, A QUALIFIED TAXPAYER MUST FIRST USE A TAX CREDIT AGAINST THE QUALIFIED TAX LIABILITY INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

(B) ELIGIBILITY.--THE TAX CREDIT MAY BE APPLIED AGAINST UP TO 20% OF THE QUALIFIED TAXPAYER'S QUALIFIED TAX LIABILITIES INCURRED IN THE TAXABLE YEAR FOR WHICH THE TAX CREDIT WAS APPROVED.

(C) LIMIT.--A QUALIFIED TAXPAYER THAT HAS BEEN GRANTED A TAX CREDIT UNDER THIS SUBARTICLE SHALL BE INELIGIBLE FOR ANY OTHER TAX CREDIT PROVIDED UNDER THIS ACT OR A TAX BENEFIT AS DEFINED IN SECTION 1701-A.1.

SECTION 1775-L. CARRYOVER, CARRYBACK AND REFUND.

A TAX CREDIT CANNOT BE CARRIED BACK, CARRIED FORWARD OR BE
USED TO OBTAIN A REFUND.

SECTION 1776-L. SALE OR ASSIGNMENT.

(A) AUTHORIZATION.--IF THE QUALIFIED TAXPAYER HOLDS A TAX CREDIT THROUGH THE END OF THE CALENDAR YEAR IN WHICH THE TAX CREDIT WAS GRANTED, THE QUALIFIED TAXPAYER MAY SELL OR ASSIGN A TAX CREDIT, IN WHOLE OR IN PART, PROVIDED THE SALE IS EFFECTIVE BY THE CLOSE OF THE FOLLOWING CALENDAR YEAR.

(B) APPLICATION.--

(1) TO SELL OR ASSIGN A TAX CREDIT, A QUALIFIED TAXPAYER MUST FILE AN APPLICATION FOR THE SALE OR ASSIGNMENT OF THE TAX CREDIT WITH THE DEPARTMENT. THE APPLICATION MUST BE ON A FORM REQUIRED BY THE DEPARTMENT.

(2) TO APPROVE AN APPLICATION, THE DEPARTMENT MUST RECEIVE:

(I) A FINDING FROM THE DEPARTMENT THAT THE APPLICANT HAS:

(A) FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS FOR ALL APPLICABLE TAXABLE YEARS; AND

(B) PAID ANY BALANCE OF STATE TAX DUE AS DETERMINED BY ASSESSMENT OR DETERMINATION BY THE DEPARTMENT AND NOT UNDER TIMELY APPEAL; AND

(II) FOR A SALE OR ASSIGNMENT TO A COMPANY THAT IS NOT AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY, A CERTIFICATION FROM THE QUALIFIED TAXPAYER THAT THE QUALIFIED TAXPAYER HAS OFFERED TO SELL OR ASSIGN THE TAX CREDIT:

(A) EXCLUSIVELY TO A DOWNSTREAM COMPANY FOR A PERIOD OF 30 DAYS FOLLOWING APPROVAL OF THE TAX CREDIT UNDER SECTION 1773-L(C); AND

(B) TO AN UPSTREAM COMPANY OR DOWNSTREAM COMPANY.
FOR A PERIOD OF 30 DAYS FOLLOWING EXPIRATION OF THE
PERIOD UNDER CLAUSE (A).

(C) APPROVAL.--UPON APPROVAL BY THE DEPARTMENT, A QUALIFIED
TAXPAYER MAY SELL OR ASSIGN, IN WHOLE OR IN PART, A TAX CREDIT.

SECTION 1777-L. PURCHASERS AND ASSIGNEES.

(A) TIME.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1776-L
MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE
PURCHASE OR ASSIGNMENT IS MADE.

(B) AMOUNT.--THE AMOUNT OF THE TAX CREDIT THAT A PURCHASER
OR ASSIGNEE UNDER SECTION 1776-L MAY USE AGAINST ANY ONE
QUALIFIED TAX LIABILITY MAY NOT EXCEED 50% OF ANY OF THE
QUALIFIED TAX LIABILITIES OF THE PURCHASER OR ASSIGNEE FOR THE
TAXABLE YEAR.

(C) RESALE AND ASSIGNMENT.--

(1) A PURCHASER UNDER SECTION 1776-L MAY NOT SELL OR
ASSIGN THE PURCHASED TAX CREDIT.

(2) AN ASSIGNEE UNDER SECTION 1776-L MAY NOT SELL OR
ASSIGN THE ASSIGNED TAX CREDIT.

(D) NOTICE.--THE PURCHASER OR ASSIGNEE UNDER SECTION 1776-L
SHALL NOTIFY THE DEPARTMENT OF THE SELLER OR ASSIGNOR OF THE TAX
CREDIT IN COMPLIANCE WITH PROCEDURES SPECIFIED BY THE
DEPARTMENT.

SECTION 1778-L. PASS-THROUGH ENTITY.

(A) ELECTION.--IF A PASS-THROUGH ENTITY HAS AN UNUSED TAX
CREDIT, THE PASS-THROUGH ENTITY MAY ELECT, IN WRITING, ACCORDING
TO PROCEDURES ESTABLISHED BY THE DEPARTMENT, TO TRANSFER ALL OR
A PORTION OF THE TAX CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS
IN PROPORTION TO THE SHARE OF THE ENTITY'S DISTRIBUTIVE INCOME
TO WHICH THE SHAREHOLDERS, MEMBERS OR PARTNERS ARE ENTITLED.

(B) LIMITATION.--THE SAME UNUSED TAX CREDIT UNDER SUBSECTION
(A) MAY NOT BE CLAIMED BY:

(1) THE PASS-THROUGH ENTITY; AND

(2) A SHAREHOLDER, MEMBER OR PARTNER OF THE PASS-THROUGH ENTITY.

(C) AMOUNT.—THE AMOUNT OF THE TAX CREDIT THAT A TRANSFEREE UNDER SUBSECTION (A) MAY USE AGAINST ANY ONE QUALIFIED TAX LIABILITY MAY NOT EXCEED 20% OF ANY QUALIFIED TAX LIABILITIES FOR THE TAXABLE YEAR.

(D) TIME.—A TRANSFEREE UNDER SUBSECTION (A) MUST CLAIM THE TAX CREDIT IN THE CALENDAR YEAR IN WHICH THE TRANSFER IS MADE.

(E) SALE AND ASSIGNMENT.—A TRANSFEREE UNDER SUBSECTION (A) MAY NOT SELL OR ASSIGN THE TAX CREDIT.

SECTION 1779-L. (RESERVED).

SECTION 1780-L. GUIDELINES AND REGULATIONS.

THE DEPARTMENT SHALL DEVELOP WRITTEN GUIDELINES FOR THE IMPLEMENTATION OF THIS SUBARTICLE. THE GUIDELINES SHALL BE IN EFFECT UNTIL THE DEPARTMENT PROMULGATES REGULATIONS FOR THE IMPLEMENTATION OF THE PROVISIONS OF THIS SUBARTICLE.

SECTION 1781-L. REPORT TO GENERAL ASSEMBLY.

(A) REPORT.—

(1) NO LATER THAN THE YEAR AFTER WHICH TAX CREDITS ARE FIRST AWARDED UNDER THIS SUBARTICLE, AND EACH OCTOBER 1 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY SUMMARIZING THE EFFECTIVENESS OF THE TAX CREDIT. THE REPORT SHALL INCLUDE THE NAMES OF ALL QUALIFIED TAXPAYERS UTILIZING THE TAX CREDIT AS OF THE DATE OF THE REPORT AND THE AMOUNT OF TAX CREDITS APPROVED FOR, UTILIZED BY OR SOLD OR ASSIGNED BY EACH QUALIFIED TAXPAYER. THE REPORT SHALL BE SUBMITTED TO THE FOLLOWING:

(I) THE CHAIR AND MINORITY CHAIR OF THE
APPROPRIATIONS COMMITTEE OF THE SENATE.

(II) THE CHAIR AND MINORITY CHAIR OF THE

APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

(III) THE CHAIR AND MINORITY CHAIR OF THE FINANCE

COMMITTEE OF THE SENATE.

(IV) THE CHAIR AND MINORITY CHAIR OF THE FINANCE

COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

(2) IN ADDITION TO THE INFORMATION REQUIRED UNDER

PARAGRAPH (1), THE REPORT SHALL INCLUDE THE FOLLOWING

INFORMATION IN A MANNER SEPARATED BY GEOGRAPHIC LOCATION

WITHIN THIS COMMONWEALTH:

(I) THE AMOUNT OF TAX CREDITS CLAIMED BY QUALIFIED

TAXPAYERS DURING THE FISCAL YEAR.

(II) THE TOTAL NUMBER OF NEW JOBS AND PERMANENT JOBS

CREATED BY QUALIFIED TAXPAYERS DURING THE FISCAL YEAR,

INCLUDING THE DURATION OF THE JOBS.

(B) PUBLIC INFORMATION.--NOTWITHSTANDING ANY LAW PROVIDING

FOR THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION IN THE

REPORT UNDER SUBSECTION (A) SHALL BE PUBLIC INFORMATION, AND ALL

REPORT INFORMATION SHALL BE POSTED ON THE DEPARTMENT'S PUBLICLY

ACCESSIBLE INTERNET WEBSITE.

SECTION 1782-L. APPLICABILITY.

(A) DURATION.--THE TAX CREDIT UNDER THIS SUBARTICLE SHALL

APPLY TO SEMICONDUCTOR MANUFACTURING, BIOMEDICAL MANUFACTURING

OR BIOMEDICAL RESEARCH CONDUCTED AT EACH PROJECT FACILITY FOR A

PERIOD OF FIVE YEARS.

(B) LIMITATION.--THE TOTAL AGGREGATE AMOUNT OF TAX CREDITS

AWARDED BY THE DEPARTMENT UNDER THIS SUBARTICLE MAY NOT EXCEED

$100,000,000.
APPLICATION OF PREVAILING WAGE ACT

SECTION 1791-L. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

"QUALIFIED PROJECT FACILITY." ANY OF THE FOLLOWING:

(1) A PROJECT FACILITY AS DEFINED IN SECTION 1711-L.
(2) A PROJECT FACILITY AS DEFINED IN SECTION 1731-L.
(3) A PROJECT FACILITY AS DEFINED IN SECTION 1751-L.
(4) A PROJECT FACILITY AS DEFINED IN SECTION 1771-L.

"QUALIFIED TAX CREDIT RECIPIENT." ANY OF THE FOLLOWING WHO HAVE BEEN AWARDED A TAX CREDIT:

(1) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1711-L.
(2) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1731-L.
(3) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1751-L.
(4) A QUALIFIED TAXPAYER AS DEFINED IN SECTION 1771-L.

SECTION 1792-L. PREVAILING WAGE.

(A) APPLICATION.—A QUALIFIED PROJECT FACILITY FOR WHICH A QUALIFIED TAX CREDIT IS SOUGHT AND AWARDED UNDER THIS SUBARTICLE IS DEEMED TO MEET EACH OF THE MINIMUM REQUIREMENTS NECESSARY TO APPLY THE WAGE AND BENEFIT RATES, AND RELATED CERTIFICATION OF PAYROLL RECORDS, REQUIRED BY THE PREVAILING WAGE ACT. A QUALIFIED TAX CREDIT RECIPIENT, OR THE QUALIFIED TAX CREDIT RECIPIENT'S AGENT, AND ALL CONTRACTORS AND SUBCONTRACTORS, OF EVERY TIER, ENGAGED TO PERFORM ON THE QUALIFIED PROJECT FACILITY MUST COMPLY WITH ALL PROVISIONS AND REQUIREMENTS OF THE PREVAILING WAGE ACT FOR ALL NEW JOBS AND FOR ALL CRAFTS OR CLASSIFICATIONS PERFORMING CONSTRUCTION, RECONSTRUCTION, DEMOLITION, ALTERATION AND REPAIR WORK, OTHER THAN MAINTENANCE WORK, UNDERTAKEN AT THE QUALIFIED PROJECT FACILITY DURING THE
INITIAL CONSTRUCTION AND DURING ANY PERIOD IN WHICH QUALIFIED
TAX CREDITS ARE SOUGHT AND AWARDED FOR THE QUALIFIED PROJECT
FACILITY.

(B) COMPLIANCE.--THE DEPARTMENT OF LABOR AND INDUSTRY SHALL
ENFORCE THIS SECTION AND SHALL APPLY THE SAME ADMINISTRATION AND
ENFORCEMENT APPLICABLE TO ANY PROJECT OF CONSTRUCTION,
RECONSTRUCTION, DEMOLITION, ALTERATION AND REPAIR WORK, OTHER
THAN MAINTENANCE WORK, UNDERTAKEN PURSUANT TO THE REQUIREMENTS
OF THE PREVAILING WAGE ACT TO ENSURE COMPLIANCE.

(C) NOTIFICATION.--PRIOR TO THE SOLICITATION OF BIDS OR
PROPOSALS OF ANY CONTRACT OR SUBCONTRACT COVERED UNDER
SUBSECTION (A), THE QUALIFIED TAX CREDIT RECIPIENT, OR THE
QUALIFIED TAX CREDIT RECIPIENT'S AGENT, SHALL NOTIFY THE
DEPARTMENT OF LABOR AND INDUSTRY OF THE SOLICITATION AND REQUEST
THE ISSUANCE OF A WAGE AND BENEFIT RATE DETERMINATION FOR ALL
CRAFTS AND CLASSIFICATIONS ANTICIPATED TO PERFORM AT THE
QUALIFIED PROJECT FACILITY. RATE REQUESTS SHALL BE IN CONFORMITY
WITH THE PROCEDURES OF THE PREVAILING WAGE ACT, AND THE
DEPARTMENT OF LABOR AND INDUSTRY SHALL ISSUE RATES UPON REQUEST
AS REQUIRED PURSUANT TO THIS SECTION AND THE PROVISIONS OF THE
PREVAILING WAGE ACT.

(D) VIOLATION.--IN ADDITION TO ENFORCEMENT AUTHORIZED UNDER
THE PREVAILING WAGE ACT AND SUBSECTION (B), IF, AFTER NOTICE AND
HEARING, THE DEPARTMENT OF LABOR AND INDUSTRY DETERMINES THAT
THE QUALIFIED TAX CREDIT RECIPIENT INTENTIONALLY FAILED TO PAY
OR INTENTIONALLY CAUSED ANOTHER TO FAIL TO PAY PREVAILING WAGE
RATES OR BENEFIT RATES AS SPECIFIED UNDER SECTION 11(H) OF THE
PREVAILING WAGE ACT FOR WORK COVERED UNDER SUBSECTION (A), OR
RATIFIED AN INTENTIONAL FAILURE BY ANY CONTRACTORS OR
SUBCONTRACTORS OF THE QUALIFIED TAX CREDIT RECIPIENT, THE
QUALIFIED TAX CREDIT RECIPIENT SHALL BE REQUIRED TO REFUND 10% OF THE AMOUNT OF THE TAX CREDITS AWARDED TO THE QUALIFIED TAX CREDIT RECIPIENT FOR THE FIRST FISCAL YEAR FOR WHICH QUALIFIED TAX CREDITS ARE AWARDED, IN THE CASE OF INITIAL CONSTRUCTION, OR THE FISCAL YEAR IN WHICH THE INTENTIONAL NONCOMPLIANCE OCCURRED AS DETERMINED BY THE DEPARTMENT.

(E) APPEAL.--A FINDING OF A VIOLATION UNDER SUBSECTION (D) SHALL BE APPEALABLE UNDER SECTION 2.2(E)(1) OF THE PREVAILING WAGE ACT AND 34 PA. CODE § 213.3 (RELATING TO APPEALS FROM DETERMINATIONS OF THE SECRETARY). ANY FINAL DETERMINATION BY THE APPEALS BOARD UNDER THE PREVAILING WAGE ACT MAY BE APPEALED UNDER 2 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE).

Section 2.17. The amendment of section 325(d) of the act shall apply to taxable years beginning after December 31, 2022.

Section 3. This act shall take effect immediately.

SECTION 18. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

(1) THE FOLLOWING SHALL TAKE EFFECT IMMEDIATELY:

(I) THE AMENDMENT OF SECTION 325(A) AND (D) INTRODUCTORY PARAGRAPH OF THE ACT.

(II) SECTION 17 OF THIS ACT.

(III) THIS SECTION.

(2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60 DAYS.