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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2354 Session of  
2022

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INTRODUCED BY RYAN, COOK, GUENST, N. NELSON, DeLUCA AND CIRESI,  
MARCH 8, 2022

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REFERRED TO COMMITTEE ON FINANCE, MARCH 8, 2022

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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," providing for frontline worker tax rebate; and  
11 making a continuing appropriation from the COVID-19 Response  
12 Restricted Account.

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

15 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as  
16 the Tax Reform Code of 1971, is amended by adding an article to  
17 read:

18 ARTICLE XXIX-I

19 FRONTLINE WORKER TAX REBATE

20 Section 2901-I. Scope of article.

21 This article relates to a frontline worker tax rebate.

22 Section 2902-I. Definitions.

23 The following words and phrases when used in this article

1 shall have the meanings given to them in this section unless the  
2 context clearly indicates otherwise:

3 "Ambulance." Any vehicle which is specifically designed,  
4 constructed or modified and equipped and is used or intended to  
5 be used and is maintained or operated for the purpose of  
6 providing emergency medical care to and transportation of human  
7 patients. The term includes advanced or basic life support  
8 vehicles that may or may not transport human patients.

9 "Department." The Department of Revenue of the Commonwealth.

10 "Frontline worker." An employee of a hospital who is  
11 involved in direct patient care activities and clinical care  
12 services, including the transport of a patient to a hospital by  
13 ambulance. The term does not include hospital executives,  
14 contracted staff or administrators.

15 "Hospital." The following:

16 (1) Any of the following:

17 (i) A hospital licensed by the Department of Health  
18 under section 808 of the act of July 19, 1979 (P.L.130,  
19 No.48), known as the Health Care Facilities Act, that  
20 provides inpatient medical care and other related  
21 services for surgery, acute medical conditions or  
22 injuries.

23 (ii) A hospital licensed by the Department of Health  
24 under section 808 of the Health Care Facilities Act that  
25 specializes in services exclusively to infants, children,  
26 adolescents and young adults from birth up to 21 years of  
27 age.

28 (iii) A critical access hospital.

29 (2) The term does not include a Federal veterans'  
30 affairs hospital or a State-owned psychiatric hospital.

1 "Rebate." A frontline worker tax rebate authorized under  
2 this article.

3 "Tax year." The tax year ending on December 31, 2021.

4 "Taxpayer." An individual who is employed as a frontline  
5 worker and subject to the tax under Article III.

6 Section 2903-I. Rebate qualifications.

7 (a) Issuance of rebate.--Subject to section 2904-I, a rebate  
8 shall be issued to a taxpayer if all of the following apply:

9 (1) The taxpayer is currently employed as a frontline  
10 worker in this Commonwealth.

11 (2) The taxpayer was employed as a frontline worker in  
12 this Commonwealth during the period beginning after March 13,  
13 2020, and prior to July 1, 2022.

14 (3) The taxpayer applies for a rebate in the form and  
15 time prescribed by the department.

16 (b) Amount.--The following shall apply:

17 (1) Except as provided under paragraph (2), a rebate  
18 shall be equal to 100% of the tax owed by a taxpayer under  
19 Article III for the taxable year, or \$2,500, whichever is  
20 less.

21 (2) The amount of a rebate shall be reduced by the  
22 dollar amount of a payment received by the taxpayer under  
23 section 102-J of the act of April 9, 1929 (P.L.343, No.176),  
24 known as The Fiscal Code.

25 (c) Limitation.--No taxpayer shall be eligible to receive  
26 more than one rebate.

27 Section 2904-I. Rebate administration.

28 (a) Duties of department.--The department shall establish  
29 administrative and application procedures and deadlines  
30 necessary to implement and administer this article. The

1 department may establish guidelines for the implementation of  
2 this article.

3 (b) Acceptance.--The department shall begin accepting  
4 applications no later than 30 days after the effective date of  
5 this section.

6 (c) Review and approval.--Within 30 days after receiving a  
7 complete and correct application, the department shall review an  
8 application and determine if a taxpayer meets the rebate  
9 qualifications under section 2903-I.

10 Section 2905-I. Petitions for review.

11 A taxpayer whose rebate is either denied, corrected or  
12 otherwise adversely treated upon review by the department may  
13 petition for an administrative review in the manner prescribed  
14 by the department. An individual aggrieved by the department's  
15 action in connection with the administrative review may petition  
16 for review in the manner specified in Part X of Article III.

17 Section 2906-I. Penalties.

18 (a) Imposition.--A taxpayer who receives a rebate by  
19 providing false or misleading information to the department or  
20 who otherwise improperly receives a rebate may be required to do  
21 the following:

22 (1) Refund to the department the amount of rebate  
23 received.

24 (2) Pay a civil penalty of \$100 to the department.

25 (b) Offset.--The department may offset any rebate due to a  
26 taxpayer against collectible liabilities owed to the  
27 Commonwealth by the taxpayer for taxes imposed under Article  
28 III.

29 Section 2907-I. Erroneous rebates.

30 (a) Correction.--If the department determines or finds a

1 rebate to have been incorrectly or erroneously paid, the  
2 department shall redetermine the correct amount of the rebate,  
3 if any, and notify the taxpayer of the reason for the correction  
4 and the amount of the rebate.

5 (b) Recovery.--If a rebate has been issued in error and the  
6 taxpayer fails to refund the rebate upon the department's  
7 request, the rebate shall be recoverable by the department in  
8 the manner provided for recovering delinquent taxes in Part X of  
9 Article III.

10 Section 2908-I. Construction.

11 Notwithstanding any other provision of law, a rebate received  
12 under this article shall not be considered "income" under  
13 Article III or for purposes of determining eligibility for any  
14 other State government program.

15 Section 2909-I. Continuing appropriation.

16 Money in the COVID-19 Response Restricted Account shall be  
17 appropriated on a continuing basis, upon approval of the  
18 Governor, to the department for the payment of rebates under  
19 this article.

20 Section 2910-I. Expiration.

21 This article shall expire December 31, 2022.

22 Section 2. This act shall take effect immediately.