



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2188

PRINTERS NO. 3814

PRIME SPONSOR: Cutler

REVENUE INCREASE / (DECREASE)

FUND	FY 2013/14	FY 2014/15
General Fund	\$0	\$48,200,000

SUMMARY: House Bill 2188, Printer's Number 3814, amends the Tax Reform Code, further providing for definitions and for amount of tax credits in community-based services tax credit and providing for a tax credit hiatus.

ANALYSIS: House Bill 2188 amends the Community-Based Services Tax Credit program allowing pass-through entities to transfer all or part of the tax credit to a shareholder, member or partner proportional to the distributive income of the shareholder, member or partner.

Article XXIX-G is added providing a hiatus for the awarding of tax credits. Specifically, a taxpayer is not entitled to a tax credit in fiscal years 2014-15 and 2015-16 under the following programs: (1) Property and Casualty Insurance Guarantee Association Credit; (2) Research and Development Tax Credit; (3) Resource Enhancement and Protection Tax Credit; (4) Historic Preservation Incentive Tax Credit; (5) Community-Based Services Tax Credit; (6) Job Creation Tax Credit; (7) Mobile Telecommunications Broadband Investment Tax Credit; (8) Innovate in PA Tax Credit; (9) Neighborhood Assistance Tax Credit; (10) Keystone Special Development Zone Tax Credit; (11) Keystone Innovation Zone Tax Credit; (12) KOZ, KOEZ and KOIZ tax credits; and (13) Promoting Employment Across PA.

The act shall take effect immediately.

FISCAL IMPACT: Enactment of this legislation will result in additional revenues to the General Fund estimated to be \$48.2 million in fiscal year 2014-15.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: June 23, 2014

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.