



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 706

PRINTERS NO. 1435

PRIME SPONSOR: Greiner

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	\$0

SUMMARY: House Bill 706, Printer's Number 1435, amends the Tax Reform Code further providing in personal income tax for returns of married individuals, deceased or disabled individuals and fiduciaries.

ANALYSIS: This legislation amends Section 331(g) providing that if the executor of an estate and the trustee of the trust make an election under section 645 of the Internal Revenue Code (IRC), as amended January 1, 2019, to treat the income of the trust as part of the estate, the fiduciary may make and file a joint tax return for the estate and trust under this subsection for the taxable years when the trust income is reported as part of the estate income in accordance with IRC provisions. For purposes of this article, the estate and trust shall remain separate taxpayers and the income of the estate and trust shall be calculated and reported separately. If the income tax liabilities of the estate and trust are filed on a joint tax return under this subsection, the tax liabilities of the estate and trust shall be joint and several.

The act shall take effect in 60 days and the amendment of Section 331(g) shall apply to tax years beginning after December 31, 2019.

FISCAL IMPACT: Enactment of this legislation will have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: April 15, 2019

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