



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1006

PRINTERS NO. 1827

PRIME SPONSOR: Metzgar

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	\$0	\$0

SUMMARY: House Bill 1006, Printer's Number 1827, amends the Tax Reform Code further providing for classes of income in personal income tax.

ANALYSIS: This legislation provides that a person receiving crop insurance proceeds may elect to include such crop insurance proceeds as income in the taxable year following the taxable year in which the crop insurance proceeds were received, providing the person establishes that the income from the crops for which the proceeds were received would have been reported in the following taxable year.

This legislation shall take effect immediately and shall apply to taxable years beginning after December 31, 2020.

FISCAL IMPACT: Allowing a person the option of deferring crop insurance proceeds will align State personal income tax laws with Federal income tax laws. In order to defer the crop insurance proceeds one year, this legislation requires the person to establish that the income from the crops, for which crop insurance proceeds were received, would have otherwise been reported in the following taxable year. Therefore, enactment of this legislation will have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Ritchie LaFaver
House Appropriations Committee (R)

DATE: June 16, 2021

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