

## MEMORANDUM

**TO:** All Members of the House of Representatives

**FROM:** Representative Steve Santarsiero

**DATE:** October 1, 2012

**SUBJECT:** Co-Sponsorship of Legislation – Commuter and Commerce Toll Tax Credit

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In early October I intend to introduce legislation establishing the Commuter and Commerce Toll Tax Credit.

In 2007, the General Assembly passed Act 44, which increased state support for transportation needs by proposing tolls on I-80, increasing tolls on the PA Turnpike, and issuing revenue bonds. With the increased revenue from higher tolls, Act 44 required the PA Turnpike Commission to make annual contributions to the Motor License Fund. For FY 2012/13, the Pennsylvania Turnpike Commission will transfer \$450 million; \$200 million is deposited in the Motor License Fund for the Road & Bridge Program; and \$250 million is deposited in the Public Transportation Trust Fund.

As you know, the Federal Highway Administration did not approve our application to toll I-80, which left a hole in the funding available to upgrade our increasingly dilapidated transportation system. The rejection of the application also removed a more geographically-balanced attempt to fund our entire transportation network by having a toll road in the northern tier of our state, instead of only relying on the Pennsylvania Turnpike, which is largely utilized by drivers in the Southeast, Greater Pittsburgh Area, commercial trucking companies, and others along the turnpike corridor.

My legislation will help alleviate the cost for those Pennsylvania-based drivers and businesses whose tolls are used to build roads and bridges all across the Commonwealth. Specifically, my legislation would offer a 50% tax credit for tolls paid with a \$500 cap per filer. Only those individuals, corporations, or small businesses with tax liability will be eligible. In order to qualify, all tax credit filers must submit valid EZ Pass documentation.

Additionally, the tax credit will be extended to Pennsylvania residents and Pennsylvania-based companies that shoulder an additional cost when accessing the toll bridges operated under the Delaware River Joint Toll Bridge Commission and the Delaware River Port Authority of Pennsylvania and New Jersey.

If you would like to co-sponsor this bill, please contact Kat Manucci in my office at 787-5475 or by e-mail at [kmanucci@pahouse.net](mailto:kmanucci@pahouse.net).