

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," further providing for classes of income.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 303(a.3) of the act of March 4, 1971
14 (P.L.6, No.2), known as the Tax Reform Code of 1971, added June
15 29, 2002 (P.L.559, No.89), is amended to read:

16 Section 303. Classes of Income.--* * *

17 (a.3) The cost of property commonly referred to as Section
18 179 Property may be treated as a deductible expense [only to the
19 extent allowable under the version of section 179 of the
20 Internal Revenue Code in effect at the time the property is
21 placed in service or under section 179 of the Internal Revenue

1 Code of 1986 (26 U.S.C. § 179), whichever is earlier] not to
2 exceed one hundred thousand dollars (\$100,000). The basis of
3 Section 179 Property shall be reduced, but not below zero, for
4 costs treated as a deductible expense. The amount of the
5 reduction shall be the amount deducted on a return and not
6 disallowed, regardless of whether the deduction results in a
7 reduction of income.

8 * * *

9 Section 2. The amendment of section 303(a.3) of the act
10 shall apply to the tax years beginning after December 31, 2014.

11 Section 3. This act shall take effect immediately.