

LEGISLATIVE REFERENCE BUREAU

2016D11083DMS:JSL

L.R.B. Form No. 4 (Rev. 3/25/10)

No. \_\_\_\_\_

LEGISLATIVE REFERENCE BUREAU

AN ACT

Amending the act of March 4, 1971  
(P.L.6, No.2), known as the Tax  
Reform Code of 1971, in personal  
income tax, further providing for  
classes of income.

INTRODUCED \_\_\_\_\_ 20 \_\_\_\_\_

By \_\_\_\_\_ District  
NO. \_\_\_\_\_

By \_\_\_\_\_ District  
NO. \_\_\_\_\_

By \_\_\_\_\_ District  
NO. \_\_\_\_\_

By \_\_\_\_\_ District  
NO. \_\_\_\_\_

See next page for additional co-sponsors.

Referred to Committee on

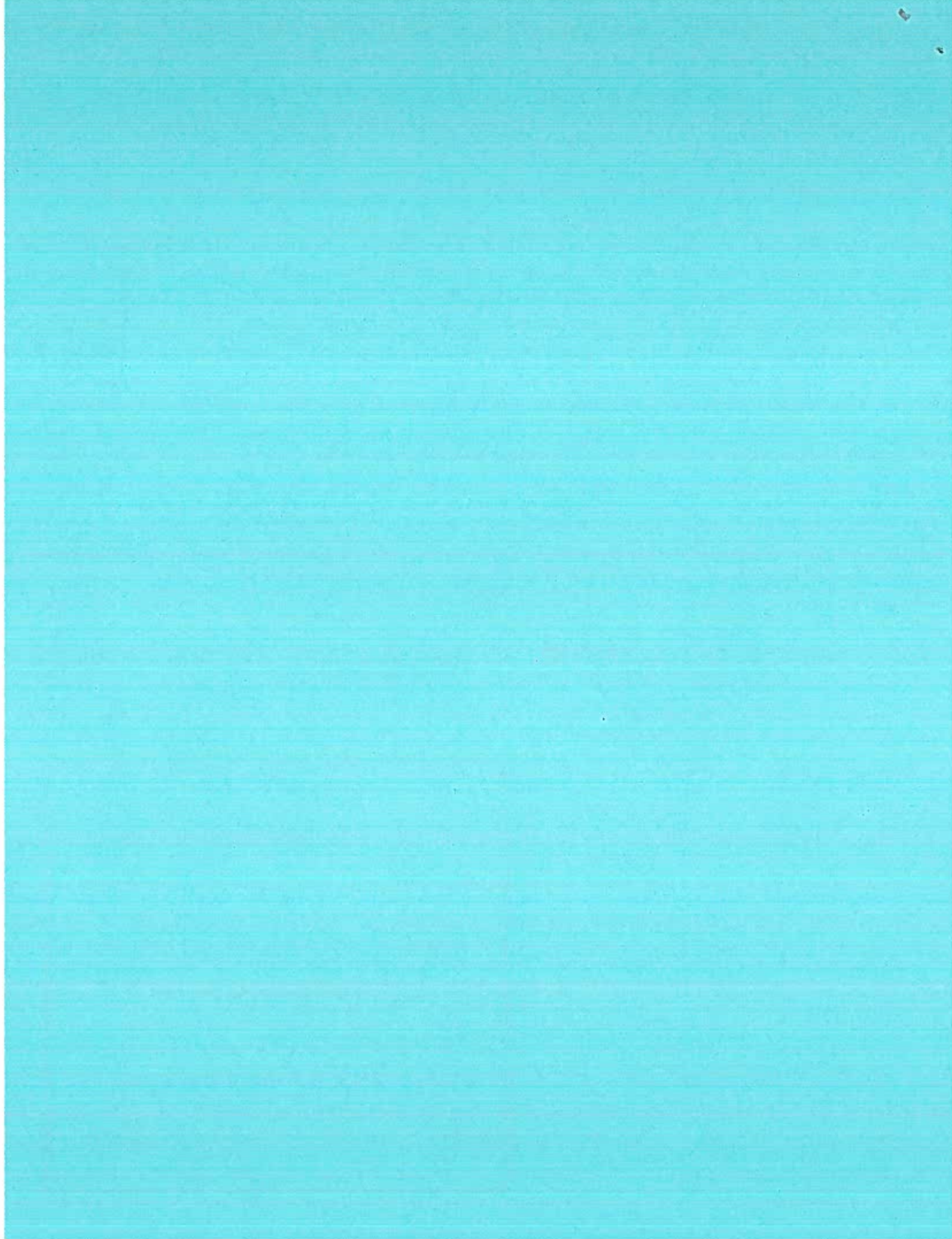
Date \_\_\_\_\_ 20 \_\_\_\_\_

Reported \_\_\_\_\_ 20 \_\_\_\_\_

As Committed-Amended

Recommendation

By Hon. \_\_\_\_\_



## 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," in personal income tax, further providing for  
11 classes of income.

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

14 Section 1. Section 303(a.7)(2) of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, added July  
16 6, 2006 (P.L.319, No.67), is amended to read:

17 Section 303. Classes of Income.--\* \* \*

18 (a.7) The following apply:

19 \* \* \*

20 (2) (i) The following shall not be subject to tax under  
21 this article:

22 (A) Any amount distributed from a qualified tuition program

1 that is excludable from tax under section 529(c)(3)(B) of the  
2 Internal Revenue Code of 1986, as amended.

3 (B) Any rollover that is excludable from tax under section  
4 529(c)(3)(C) of the Internal Revenue Code of 1986, as amended.

5 (C) Undistributed earnings on a qualified tuition program.

6 (D) The value of any medal awarded in, or any prize money  
7 received from the United States Olympic Committee on account of  
8 competition in the Olympic Games or Paralympic Games.

9 (ii) A change in designated beneficiaries under section  
10 529(c)(3)(C) of the Internal Revenue Code of 1986, as amended,  
11 shall not constitute a taxable event under this article.

12 \* \* \*

13 Section 2. This act shall take effect in 60 days.