

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2254 Session of
1986

INTRODUCED BY TRELLO, STABACK, PETRARCA, AFFLERBACH, DOMBROWSKI,
NAHILL, COLE, KUKOVICH, RAYMOND, GALLAGHER, LETTERMAN,
STUBAN, CIVERA, CORNELL, PRESTON, McCALL, DALEY, PRESSMANN,
CORDISCO, MAYERNIK, DeWEESE, COLAFELLA, OLASZ, VEON, FOX,
HALUSKA, SEVENTY, FISCHER, RICHARDSON AND PETRONE, MARCH 17,
1986

REFERRED TO COMMITTEE ON FINANCE, MARCH 17, 1986

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," allocating a certain portion of the personal
11 income tax revenue for a State revenue-sharing program.

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

14 Section 1. Section 302 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, amended July 1,
16 1985 (P.L.78, No.29), is amended to read:

17 Section 302. Imposition of Tax.--(a) There is hereby
18 imposed a tax to be paid by resident individuals, estates or
19 trusts at the annual rate of two and two-tenths per cent for
20 taxable years up to and including the taxable year commencing on

1 or after January 1, 1982, and at the annual rate of two and
2 forty-five hundredths per cent for the taxable year commencing
3 on or after January 1, 1983, and for the first six months of the
4 taxable year commencing on or after January 1, 1984, and at the
5 annual rate of two and thirty-five hundredths per cent for the
6 second six months of the taxable year commencing on or after
7 January 1, 1984, and for the taxable year commencing on or after
8 January 1, 1985, and at the annual rate of two and two-tenths
9 per cent for the taxable year commencing on or after January 1,
10 1986, and for each taxable year thereafter on the privilege of
11 receiving each of the classes of income hereinafter enumerated
12 in section 303.

13 (b) There is hereby imposed a tax to be paid by nonresident
14 individuals, estates or trusts at the annual rate of two and
15 two-tenths per cent for taxable years up to and including the
16 taxable year commencing on or after January 1, 1982, and at the
17 annual rate of two and forty-five hundredths per cent for the
18 taxable year commencing on or after January 1, 1983, and for the
19 first six months of the taxable year commencing on or after
20 January 1, 1984, and at the annual rate of two and thirty-five
21 hundredths per cent for the second six months of the taxable
22 year commencing on or after January 1, 1984, and for the taxable
23 year commencing on or after January 1, 1985, and at the annual
24 rate of two and two-tenths per cent for the taxable year
25 commencing on or after January 1, 1986, and for each taxable
26 year thereafter on the privilege of receiving each of the
27 classes of income enumerated in section 303 from sources within
28 this Commonwealth.

29 (c) One-tenth of one per cent of the annual revenues raised
30 under subsections (a) and (b) at the annual tax rate of two and

1 two-tenths per cent shall be set aside by the Department of
2 Revenue for deposit by the State Treasurer into the Local
3 Municipal Government Revenue Sharing Account under section 5 of
4 the act of (P.L. , No.), known as the
5 "Commonwealth Local Municipal Government Revenue Sharing Act."
6 The initial set-aside shall occur no later than March 1, 1987,
7 from revenues raised from calendar year 1985 tax returns.

8 Section 2. This act shall take effect January 1, 1987.