

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1810 Session of
1987

INTRODUCED BY HALUSKA, PETRARCA, J. L. WRIGHT, LLOYD, WOZNIAK,
TELEK, CARLSON, STAIRS, LUCYK, BELFANTI, BLACK, DeWEESE,
PRESSMANN, D. W. SNYDER, ANGSTADT, SWEET, D. R. WRIGHT,
McCALL, STABACK, CLARK, ROBBINS, CAWLEY, MORRIS, FARGO,
CORRIGAN, McVERRY, DISTLER, MERRY, LASHINGER, VEON, FISCHER,
BURD, KASUNIC, PETRONE, COLAFELLA, SEMMEL, BATTISTO, WASS,
RUDY, BALDWIN, TRELLO, HERMAN, DALEY AND DeLUCA, OCTOBER 7,
1987

REFERRED TO COMMITTEE ON MINES AND ENERGY MANAGEMENT,
OCTOBER 7, 1987

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," providing for tax credits to utilities which
11 purchase certain amounts of coal mined in Pennsylvania.

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

14 Section 1. Section 1101 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding a subsection to read:

17 Section 1101. Imposition of Tax.--* * *

18 (h) Coal Use Tax Credit.--

19 (1) For the tax year beginning on January 1, 1987, and

1 thereafter, every legal entity in this Commonwealth subject to
2 this section shall be allowed a credit against the tax imposed
3 by this section in the amount of one dollar per ton for each ton
4 of coal purchased by such legal entity in excess of the number
5 of tons of Pennsylvania coal purchased by such legal entity in
6 1985, provided such coal was mined and consumed in Pennsylvania.
7 This credit shall be prorated equally against the taxpayer's
8 estimated payments for the tax year in which the coal is
9 purchased.

10 (2) For tax years beginning on and after January 1, 1989,
11 every legal entity subject to this section shall be allowed an
12 additional credit against the tax imposed by this section in the
13 amount of one dollar per ton for each ton of coal purchased by
14 the legal entity, provided such coal was mined and consumed in
15 Pennsylvania. The credit shall be prorated equally against the
16 taxpayer's estimated payments for the tax year in which the coal
17 is purchased.

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