

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1497 Session of  
2001

INTRODUCED BY METCALFE, ALLEN, FICHTER, ROHRER, ADOLPH,  
ARMSTRONG, BENNINGHOFF, BIRMELIN, CALTAGIRONE, CAPPELLI,  
L. I. COHEN, COLAFELLA, COLEMAN, CREIGHTON, EGOLF, FORCIER,  
GABIG, GEIST, HORSEY, HUTCHINSON, LEH, MARKOSEK, MARSICO,  
McCALL, McILHATTAN, S. MILLER, NICKOL, PETRARCA,  
T. STEVENSON, TRELLO, WATSON, WILT, YOUNGBLOOD AND ZUG,  
MAY 3, 2001

REFERRED TO COMMITTEE ON FINANCE, MAY 3, 2001

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 capital stock and franchise  
11 tax rates and expiration.

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

14 Section 1. Sections 602(h) and 606 of the act of March 4,  
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971,  
16 amended May 24, 2000 (P.L.106, No.23), are amended to read:

17 Section 602. Imposition of Tax.--\* \* \*

18 (h) The rate of tax for purposes of the capital stock and  
19 franchise tax for taxable years beginning within the dates set  
20 forth shall be as follows:

1	Taxable Year	Regular Rate	Surtax	Total Rate
2	January 1, 1971, to			
3	December 31, 1986	10 mills	0	10 mills
4	January 1, 1987, to			
5	December 31, 1987	9 mills	0	9 mills
6	January 1, 1988, to			
7	December 31, 1990	9.5 mills	0	9.5 mills
8	January 1, 1991, to			
9	December 31, 1991	11 mills	2 mills	13 mills
10	January 1, 1992, to			
11	December 31, 1997	11 mills	1.75 mills	12.75 mills
12	January 1, 1998, to			
13	December 31, 1998	11 mills	.99 mills	11.99 mills
14	January 1, 1999, to			
15	December 31, 1999	10.99 mills	0	10.99 mills
16	January 1, 2000, to			
17	December 31, 2000	8.99 mills	0	8.99 mills
18	[January 1, 2001, to			
19	December 31, 2001	7.49 mills	0	7.49 mills
20	January 1, 2002, to			
21	December 31, 2002	6.49 mills	0	6.49 mills
22	January 1, 2003, to			
23	December 31, 2003	5.49 mills	0	5.49 mills
24	January 1, 2004, to			
25	December 31, 2004	4.49 mills	0	4.49 mills
26	January 1, 2005, to			
27	December 31, 2005	3.49 mills	0	3.49 mills
28	January 1, 2006, to			
29	December 31, 2006	2.49 mills	0	2.49 mills
30	January 1, 2007, to			

1	December 31, 2007	1.49 mills	0	1.49 mills
2	January 1, 2008, to			
3	December 31, 2008	.49 mills	0	.49 mills]
4	<u>January 1, 2001, to</u>			
5	<u>December 31, 2001</u>	<u>6.99 mills</u>	<u>0</u>	<u>6.99 mills</u>
6	<u>January 1, 2002, to</u>			
7	<u>December 31, 2002</u>	<u>5.49 mills</u>	<u>0</u>	<u>5.49 mills</u>
8	<u>January 1, 2003, to</u>			
9	<u>December 31, 2003</u>	<u>3.99 mills</u>	<u>0</u>	<u>3.99 mills</u>
10	<u>January 1, 2004, to</u>			
11	<u>December 31, 2004</u>	<u>2.49 mills</u>	<u>0</u>	<u>2.49 mills</u>
12	<u>January 1, 2005, to</u>			
13	<u>December 31, 2005</u>	<u>0.99 mills</u>	<u>0</u>	<u>0.99 mills</u>

14 Section 606. Effective Date.--(a) Except as provided in  
15 subsection (b), this article shall take effect immediately, and  
16 the tax imposed shall apply to taxable years beginning January  
17 1, 1971 and thereafter.

18 (b) This article shall expire for taxable years beginning  
19 after December 31, [2008] 2005.

20 Section 2. This act shall be retroactive to January 1, 2001.

21 Section 3. This act shall take effect immediately.