
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2934 Session of
2002

INTRODUCED BY R. STEVENSON, ARGALL, S. H. SMITH, HERSHEY,
DeWEESE, BELFANTI, BASTIAN, CAPPELLI, COLEMAN, CREIGHTON,
DALEY, FEESE, FICHTER, FLICK, GABIG, GEORGE, HARHAI, HASAY,
HUTCHINSON, KELLER, LAUGHLIN, LEVDANSKY, MAHER, McILHATTAN,
R. MILLER, PETRARCA, PICKETT, SATHER, SOLOBAY, STERN,
T. STEVENSON, SURRA, WATSON, WILT, YOUNGBLOOD AND YUDICHAK,
OCTOBER 23, 2002

REFERRED TO COMMITTEE ON FINANCE, OCTOBER 23, 2002

AN ACT

1 Providing for tax credits.

2 The General Assembly of the Commonwealth of Pennsylvania
3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the Pennsylvania
6 Remining and Reclamation Tax Credit Act.

7 Section 2. Legislative intent.

8 The General Assembly hereby finds and declares as follows:

9 (1) It is in the best interest of its citizens to
10 promote the remining and reclamation of coal mining areas
11 left without adequate reclamation, and which continue, in
12 their unreclaimed condition, to substantially degrade the
13 quality of the environment, prevent or damage the beneficial
14 use of land or water resources or endanger the health or
15 safety of the public.

(2) It is in the best interest of the Commonwealth to provide tax incentives in the form of tax credits to encourage qualified coal operators to undertake reclamation and remining of abandoned mine lands for the purpose of eliminating hazards to human health and safety, abating pollution of surface water and groundwaters, eliminating sedimentation to adjacent areas, restoring abandoned mine lands to beneficial uses and recovering remaining reserves of coal and coal refuse.

Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Abandoned mine lands." The term includes unreclaimed lands or water resources adversely affected by past surface or underground coal mining or coal refuse disposal activities, including bond forfeiture sites for which the bonds have been forfeited and the money collected by the Department of Environmental Protection.

"Department." The Department of Environmental Protection of the Commonwealth.

"Qualified operator." An operator who receives special authorization to remine an area under section 4.6 of the act of May 31, 1945 (P.L.1198, No.418), known as the Surface Mining Conservation and Reclamation Act, or an operator who receives a permit under the Surface Mining Conservation and Reclamation Act to recover coal or coal refuse from abandoned mine lands or coal refuse disposal areas.

"Reclamation of abandoned mine lands with minimal or no coal extraction." The term includes a "government-financed

1 reclamation contract" as defined in section 3 of the act of May
2 31, 1945 (P.L.1198, No.418), known as the Surface Mining
3 Conservation and Reclamation Act, or any project approved by the
4 Department of Environmental Protection for the reclamation of
5 abandoned mine lands not involving extraction of coal or coal
6 refuse.

7 "Remining." Mining, reclaiming or restoring abandoned mine
8 lands by a qualified operator.

9 "Surface Mining Act." The act of May 31, 1945 (P.L.1198,
10 No.418), known as the Surface Mining Conservation and
11 Reclamation Act.

12 Section 4. Amount of tax credits.

13 (a) Credit for coal removal.--A qualified operator who mines
14 or removes coal or coal refuse from abandoned mine lands or coal
15 refuse disposal areas by the remining and reclamation of such
16 abandoned mine lands shall be eligible to receive a tax credit
17 of \$2 per ton for each ton of coal or coal refuse removed from a
18 remining area.

19 (b) Credit for land reclamation.--A qualified operator who
20 successfully completes a project involving the reclamation of
21 abandoned mine lands with minimal or no removal of coal or coal
22 refuse shall be eligible to receive a tax credit in an amount
23 equal to the total cost of completing the project.

24 Section 5. Utilization of reclamation tax credits.

25 Credits to which a qualified operator is entitled pursuant to
26 section 4 may be used by such operator as he decides to offset
27 any taxes imposed on the operator by the Commonwealth under the
28 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code
29 of 1971.

30 Section 6. Carryforward of credits.

1 Credits awarded pursuant to this act may be utilized by a
2 qualified operator in the tax return year earned, and, to the
3 extent not so utilized, may be carried over to subsequent tax
4 years by the operator.

5 Section 7. Regulations.

6 The Secretary of Revenue shall have the power and it shall be
7 his duty to publish any rules and regulations which may be
8 required to implement this act.

9 Section 8. Effective date.

10 This act shall take effect in 60 days.