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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE RESOLUTION

No. 529      Session of  
2002

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INTRODUCED BY BROWNE, ADOLPH, BARD, BIRMELIN, CAPPELLI, CLARK,  
CLYMER, M. COHEN, CORNELL, CORRIGAN, CREIGHTON, DALLY,  
DIGIROLAMO, FEESE, FICHTER, FLICK, GANNON, GEORGE, GRUCELA,  
HARHAI, HARHART, HERMAN, HERSHEY, HORSEY, KENNEY, MAJOR,  
McCALL, McILHINNEY, NICKOL, PIPPY, ROHRER, ROONEY, RUBLEY,  
SAMUELSON, SAYLOR, SCHRODER, SEMMEL, STEIL, TIGUE,  
WASHINGTON, WATSON AND M. WRIGHT, APRIL 15, 2002

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REFERRED TO COMMITTEE ON INTERGOVERNMENTAL AFFAIRS,  
APRIL 15, 2002

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A CONCURRENT RESOLUTION

1 Memorializing the Governor of New Jersey, James E. McGreevey, to  
2 maintain the Pennsylvania-New Jersey Reciprocity Agreement  
3 regarding individual income taxes.

4 WHEREAS, The reciprocal agreement allows residents of either  
5 Pennsylvania or New Jersey to pay personal income to the state  
6 of their residence, regardless of where the income is earned;  
7 and

8 WHEREAS, The elimination of the reciprocity agreement will  
9 result in a significant tax increase for Pennsylvania and New  
10 Jersey residents; and

11 WHEREAS, While the elimination of the agreement may provide  
12 short-term relief to New Jersey's financial woes, in the long  
13 term the taxpayers of New Jersey and Pennsylvania will be  
14 inundated with additional tax compliance requirements by having  
15 to file a Pennsylvania return along with a New Jersey return;

1 and

2 WHEREAS, The elimination of the reciprocity agreement will  
3 further inhibit New Jersey and Pennsylvania businesses'  
4 responsibility to withhold the appropriate amount of state  
5 income tax; and

6 WHEREAS, The Pennsylvania-New Jersey reciprocal agreement has  
7 been in place for 24 years; and

8 WHEREAS, In order to reduce the complications of filing for  
9 nonresident employees, the Commonwealth of Pennsylvania has  
10 similar agreements with the states of Ohio, Maryland, West  
11 Virginia, Indiana and Virginia; therefore be it

12 RESOLVED (the Senate concurring), That the General Assembly  
13 of the Commonwealth of Pennsylvania memorialize Governor James  
14 E. McGreevey to reconsider his plan to dissolve the  
15 Pennsylvania-New Jersey Reciprocity Agreement regarding the  
16 imposition of state individual income taxes; and be it further

17 RESOLVED, That a copy of this resolution be transmitted to  
18 Governor James E. McGreevey of New Jersey and the Pennsylvania  
19 congressional delegation.