

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**SENATE BILL**

**No. 361**      Session of  
2001

INTRODUCED BY BOSCOLA, LOGAN, MELLOW, COSTA, O'PAKE, RHOADES,  
WAUGH, STOUT, TARTAGLIONE, WAGNER AND KASUNIC,  
FEBRUARY 7, 2001

REFERRED TO FINANCE, FEBRUARY 7, 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," providing a tax credit for medical expenses.

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

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

16 Section 314.1. Tax Credit for Medical Expenses.--(a) A  
17 taxpayer sixty-five years of age or older who pays medical  
18 expenses is eligible to receive a tax credit as provided in  
19 subsection (b) if the medical expenses are allowable as  
20 deductions under section 213 of the Internal Revenue Code of  
21 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).

1       (b) The department shall grant a tax credit in any taxable  
2 year against the tax imposed under this article in the amount of  
3 five hundred dollars (\$500) to a taxpayer under subsection (a)  
4 if the taxpayer's household income does not exceed one hundred  
5 fifty per cent of the poverty income guidelines as provided  
6 annually by the Federal Office of Management and Budget.

7       (c) This section shall apply to taxable years beginning  
8 after December 31, 2000.

9       (d) The department shall promulgate regulations necessary to  
10 carry out this section.

11       Section 2. This act shall take effect immediately.