

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2245 Session of
2008

INTRODUCED BY M. SMITH, REED, ADOLPH, BAKER, BARRAR, BEAR, BELFANTI, BENNINGHOFF, BEYER, BOYD, BRENNAN, CALTAGIRONE, CAPPELLI, CAUSER, CREIGHTON, CUTLER, DALLY, DeLUCA, DENLINGER, EACHUS, ELLIS, EVERETT, FLECK, FRANKEL, FREEMAN, GEIST, GIBBONS, GINGRICH, GODSHALL, GOODMAN, GRUCELA, HARHAI, HARHART, HARRIS, HERSHEY, HESS, HUTCHINSON, M. KELLER, KILLION, KORTZ, KOTIK, LONGIETTI, MACKERETH, MAHONEY, MAJOR, McCALL, McILHATTAN, McILVAINE SMITH, MELIO, MENSCH, R. MILLER, MILNE, MOYER, MURT, MUSTIO, MYERS, PARKER, PAYNE, PEIFER, PERRY, PETRARCA, PETRONE, PICKETT, PYLE, QUIGLEY, READSHAW, ROAE, RUBLEY, SAINATO, SAMUELSON, SCAVELLO, SCHRODER, SIPTROTH, K. SMITH, SONNEY, SURRA, SWANGER, J. TAYLOR, R. TAYLOR, THOMAS, TURZAI, VITALI, VULAKOVICH, WALKO, J. WHITE, YOUNGBLOOD AND YUDICHAK, FEBRUARY 14, 2008

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 14, 2008

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 an Energy Star rated product
11 manufacturing tax credit.

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

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

1 taxable year in an amount equal to 20% of the total amount of
2 all capital, operation and maintenance costs paid for
3 manufacturing Energy Star related products in the taxable year
4 to be applied against the taxpayer's qualified tax liability.

5 Section 1804-C. Carryover and carryback of credit.

6 (a) Carryover.--If the taxpayer cannot use the entire amount
7 of the Energy Star rated products manufacturing tax credit for
8 the taxable year in which the tax credit is first approved, the
9 excess may be carried over to succeeding taxable years and used
10 as a credit against the qualified tax liability of the taxpayer
11 for those taxable years. Each time that the tax credit is
12 carried over to a succeeding taxable year, it is to be reduced
13 by the amount that was used as a credit during the immediately
14 preceding taxable year. The tax credit provided under this
15 article may be carried over and applied to succeeding taxable
16 years for no more than five taxable years following the first
17 taxable year for which the taxpayer was entitled to claim the
18 tax credit.

19 (b) Application.--An Energy Star rated product manufacturing
20 tax credit approved by the department in a taxable year first
21 shall be applied against the taxpayer's qualified tax liability
22 for the current taxable year as of the date on which the tax
23 credit was approved before the tax credit is applied against any
24 tax liability under subsection (a).

25 (c) Carryback.--A taxpayer is not entitled to carry back or
26 obtain a refund of an unused Energy Star rated product
27 manufacturing tax credit.

28 Section 1805-C. Termination.

29 The department shall not approve an Energy Star rated product
30 manufacturing tax credit under this article for taxable years

1 ending after December 31, 2012.

2 Section 1806-C. Regulations.

3 The department shall promulgate regulations necessary for the
4 implementation and administration of this article.

5 Section 2. The addition of Article XVIII-C of the act shall
6 apply to tax years beginning after December 31, 2007.

7 Section 3. This act shall take effect immediately.