

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1481 Session of
2009

INTRODUCED BY PALLONE, BAKER, BARRAR, BEAR, BISHOP, BOYD,
BRENNAN, CALTAGIRONE, CARROLL, COHEN, DALEY, DePASQUALE,
FREEMAN, GALLOWAY, GEIST, GIBBONS, GOODMAN, GROVE, GRUCELA,
HALUSKA, HARHAI, HARHART, HENNESSEY, HORNAMAN, JOSEPHS,
KORTZ, KOTIK, KULA, LONGIETTI, MANDERINO, MANN, McGEEHAN,
MELIO, METZGAR, MICOZZIE, MILLARD, MILNE, MUNDY, MUSTIO,
M. O'BRIEN, PASHINSKI, PETRARCA, QUINN, RAPP, READSHAW,
ROEBUCK, SAINATO, SCHRODER, SHAPIRO, SIPTROTH, K. SMITH,
SOLOBAY, STURLA, SWANGER, VULAKOVICH, WANSACZ, WHITE AND
YUDICHAK, MAY 12, 2009

REFERRED TO COMMITTEE ON FINANCE, MAY 12, 2009

AN ACT

1 Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873,
2 No.1), entitled "An act providing for taxation by school
3 districts, for the State funds formula, for tax relief in
4 first class cities, for school district choice and voter
5 participation, for other school district options and for a
6 task force on school cost reduction; making an appropriation;
7 prohibiting prior authorized taxation; providing for
8 installment payment of taxes; restricting the power of
9 certain school districts to levy, assess and collect taxes;
10 and making related repeals," further providing for the
11 definition of "income."

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

14 Section 1. The definition of "income" in section 1303 of the
15 act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as
16 the Taxpayer Relief Act, is amended to read:

17 Section 1303. Definitions.

18 The following words and phrases when used in this chapter

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 * * *

4 "Income." (1) All income from whatever source derived,
5 including, but not limited to:

6 [(1)] (i) Salaries, wages, bonuses, commissions,
7 income from self-employment, alimony, support money, cash
8 public assistance and relief.

9 [(2)] (ii) The gross amount of any pensions or
10 annuities, including railroad retirement benefits for
11 calendar years prior to 1999 and 50% of railroad
12 retirement benefits for calendar years 1999 and
13 thereafter.

14 [(3)] (iii) All benefits received under the Social
15 Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.),
16 except Medicare benefits, for calendar years prior to
17 1999, and 50% of all benefits received under the Social
18 Security Act, except Medicare benefits, for calendar
19 years 1999 and thereafter.

20 [(4)] (iv) All benefits received under State
21 unemployment insurance laws and veterans' disability
22 payments.

23 [(5)] (v) All interest received from the Federal or
24 any state government or any instrumentality or political
25 subdivision thereof.

26 [(6)] (vi) Realized capital gains and rentals.

27 [(7)] (vii) Workers' compensation.

28 [(8)] (viii) The gross amount of loss of time
29 insurance benefits, life insurance benefits and proceeds,
30 except the first \$5,000 of the total of death benefit

1 payments.

2 [(9)] (ix) Gifts of cash or property, other than
3 transfers by gift between members of a household, in
4 excess of a total value of \$300.

5 (2) The term does not include [surplus] any of the
6 following:

7 (i) Surplus food or other relief in kind supplied by
8 a governmental agency, property tax or rent rebate or
9 inflation dividend.

10 (ii) A stipend received which was provided by the
11 Federal Government under the American Recovery and
12 Reinvestment Act of 2009 (Public Law 111-5, 123 Stat.
13 115).

14 * * *

15 Section 2. The amendment of the definition of "income" in
16 section 1303 of the act shall apply to claims made after
17 December 31, 2009, for the 2009 calendar year.

18 Section 3. This act shall take effect immediately.