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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2183 Session of  
2012

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INTRODUCED BY D. EVANS, TAYLOR, BRENNAN, BROWNLEE, COHEN, DALEY,  
DAVIS, FRANKEL, HARKINS, JOSEPHS, MAHONEY, MATZIE, MIRABITO,  
MURPHY, MYERS, M. O'BRIEN, PRESTON, READSHAW, SABATINA,  
SANTARSIERO, SANTONI, STABACK, WATERS, WHEATLEY, YOUNGBLOOD  
AND GOODMAN, FEBRUARY 22, 2012

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REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 22, 2012

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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 a renewable energy job creation tax  
11 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:

17 ARTICLE XVIII-E

18 RENEWABLE ENERGY JOB CREATION TAX CREDIT

19 Section 1801-E. Definitions.

20 The following words and phrases when used in this article  
21 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Department." The Department of Revenue of the Commonwealth.

3 "Job." The full-time employment of an individual in this  
4 Commonwealth by a taxpayer for at least 1,960 hours during the  
5 taxable year whose primary work activity is related directly to  
6 the field of renewable, alternative energy.

7 "Renewable energy job." Employment in industries relating to  
8 the field of renewable, alternative energy, including the  
9 manufacture and operation of products used to generate  
10 electricity and other forms of energy from alternative sources  
11 that include geothermal heating systems, solar heating systems,  
12 hydropower systems and biomass and biofuel systems.

13 "Tax credit." The Renewable Energy Job Creation Tax Credit  
14 established under this article.

15 Section 1802-E. Tax credit.

16 (a) Eligibility.--A taxpayer shall be eligible for a tax  
17 credit for each new renewable energy job that is created. The  
18 tax credit shall be allowed in the taxable year following the  
19 year in which the job has been filled for at least one year and  
20 in each of the two succeeding years in which the job is  
21 continually filled.

22 (b) Amount.--The amount of the tax credit for each new  
23 renewable energy job shall be \$2,000.

24 (c) Term.--To qualify for the tax credit provided in  
25 subsection (a), a taxpayer must demonstrate that a job was  
26 created and filled in the taxable year prior to the year for  
27 which the credit is claimed or was continued from the previous  
28 taxable year in which a credit was claimed.

29 (d) Applicable taxes.--A taxpayer may apply the tax credit  
30 to 100% of the taxpayer's State corporate net income tax,

1 capital stock and franchise tax or the capital stock and  
2 franchise tax of a shareholder of the taxpayer if the taxpayer  
3 is a Pennsylvania S corporation, gross premiums tax, gross  
4 receipts tax, bank and trust company shares tax, mutual thrift  
5 institution tax, title insurance company shares tax, personal  
6 income tax or the personal income tax of shareholders of a  
7 Pennsylvania S corporation or any combination thereof.

8 Section 1803-E. List of qualifying jobs.

9 The department, in consultation with the Department of  
10 Community and Economic Development, shall develop a detailed  
11 definition and list of jobs that qualify for the tax credit and  
12 shall post them on its Internet website.

13 Section 1804-E. Regulations.

14 The department shall promulgate regulations with regard to  
15 application for and enforcement of this article, including, but  
16 not limited to, acceptable forms and proof of jobs created.

17 Section 1805-E. Applicability.

18 This article shall apply to taxable years beginning on or  
19 after January 1, 2012.

20 Section 2. This act shall take effect immediately.