

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 320 Session of 2011

INTRODUCED BY TOMLINSON, ORIE, PILEGGI, ERICKSON, D. WHITE,  
FOLMER, FONTANA, BOSCOLA, EARLL, RAFFERTY, M. WHITE, WARD,  
ALLOWAY AND WAUGH, JANUARY 28, 2011

REFERRED TO FINANCE, JANUARY 28, 2011

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," further providing for additions to tax.

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

13 Section 1. Section 352(d)(2) of the act of March 4, 1971  
14 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended  
15 July 7, 2005 (P.L.149, No.40), is amended to read:

16 Section 352. Additions, Penalties and Fees.--\* \* \*

17 (d) \* \* \*

18 (2) No addition to tax shall be imposed if the total amount  
19 of all payments of estimated tax made on or before the last date  
20 prescribed for the payment of such installment equals or exceeds  
21 the lesser of:

1 (A) The amount which would have been required to be paid on  
2 or before such date if the estimated tax were an amount equal to  
3 the tax computed after consideration of the special tax  
4 provisions for poverty, at the rates applicable to the taxable  
5 year, but otherwise on the basis of the facts shown on his  
6 return for, and the law applicable to, the preceding taxable  
7 year; [or]

8 (B) An amount equal to ninety per cent of the tax computed,  
9 at the rates applicable to the taxable year, on the basis of the  
10 actual income for the months in the taxable year ending before  
11 the month in which the installment is required to be paid, or,  
12 in the case of a trust or estate, an amount equal to ninety per  
13 cent of the applicable percentage of the tax for the taxable  
14 year as determined pursuant to section 6654(d)(2)(C)(ii) of the  
15 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §  
16 6654), as amended, at rates applicable to the taxable year,  
17 computed on an annualized basis in accordance with United States  
18 Treasury regulations, based upon the actual income for the  
19 months of the taxable year ending with the last day of the  
20 second preceding month prior to the month in which the  
21 installment is required to be paid[.]; or

22 (C) An amount equal to the tax liability shown on the  
23 preceding tax year return, less special tax provisions for  
24 poverty which shall apply to taxpayers who filed a full-year  
25 Pennsylvania return for the preceding tax year, unless the  
26 taxpayer was not required to file a Pennsylvania return.

27 Section 2. This act shall apply to taxable years beginning  
28 after December 31, 2011.

29 Section 3. This act shall take effect immediately.