

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 1201** Session of
2011

INTRODUCED BY FOLMER, WASHINGTON, ERICKSON, HUGHES, VANCE,
RAFFERTY, D. WHITE, MENSCH, ROBBINS, PICCOLA, SCARNATI,
M. WHITE, BOSCOLA, FARNESE, BROWNE, WOZNIAK, FERLO, ALLOWAY,
TARTAGLIONE, STACK, BREWSTER, ARGALL, YUDICHAK AND KASUNIC,
AUGUST 2, 2011

SENATOR BRUBAKER, FINANCE, AS AMENDED, NOVEMBER 16, 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 the definition of "child
11 with a disability"; and providing for inheritance tax.

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

14 Section 1. Section 2102 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended by
16 adding a definition to read:

17 Section 2102. Definitions.--The following words, terms and
18 phrases, when used in this article, shall have the meanings
19 ascribed to them in this section, except where the context
20 clearly indicates a different meaning:

21 * * *



1 ~~"Child with a disability." A child who is:~~

2 ~~(1) under eighteen years of age at the time of the transfer~~

3 ~~and has a medically determinable physical or mental impairment~~

4 ~~or combination of impairments that cause marked and severe~~

5 ~~functional limitations and which can be expected to result in~~

6 ~~death or which impairment has lasted or can be expected to last~~

7 ~~for a continuous period of not less than twelve months; or~~

8 ~~(2) eighteen years of age or older at the time of the~~

9 ~~transfer and for whom onset of disability occurred before~~

10 ~~twenty two years of age and has the inability to engage in any~~

11 ~~substantial gainful activity by reason of any medically~~

12 ~~determinable physical or mental impairment which can be expected~~

13 ~~to result in death or which has lasted or can be expected to~~

14 ~~last for a continuous period of not less than twelve months.~~



15 "CHILD WITH A DISABILITY." A PERSON WHO:

16 (1) HAS BEEN DETERMINED TO BE DISABLED FOR PURPOSES OF THE

17 SUPPLEMENTAL SECURITY INCOME PROGRAM ON OR BEFORE ATTAINING 22

18 YEARS OF AGE AND IS ELIGIBLE TO RECEIVE SUPPLEMENTAL SECURITY

19 INCOME AND MEDICAL ASSISTANCE BENEFITS; OR

20 (2) HAS BEEN DETERMINED TO BE DISABLED FOR PURPOSES OF THE

21 SUPPLEMENTAL SECURITY INCOME PROGRAM ON OR BEFORE ATTAINING 18

22 YEARS OF AGE, REGARDLESS OF WHETHER THE PARENTAL INCOME LEVELS

23 MAKE THE PERSON ELIGIBLE TO RECEIVE SUPPLEMENTAL SECURITY INCOME

24 AND MEDICAL ASSISTANCE BENEFITS.

25 * * *

26 Section 2. Section 2116(a) of the act is amended by adding a

27 clause to read:

28 Section 2116. Inheritance Tax.--(a) * * *

29 (1.4) Inheritance tax upon the transfer of property to a

30 child with a disability from a natural parent, an adoptive

1 parent or a stepparent of the child shall be at the rate of zero
2 per cent.

3 * * *

4 SECTION 3. THIS ACT SHALL APPLY TO THE ESTATES OF DECEDENTS ←
5 DYING ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

6 Section ~~3~~ 4. This act shall take effect in 60 days. ←