

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 294 Session of 2013

INTRODUCED BY AUMENT, M. K. KELLER, GINGRICH, D. COSTA, PICKETT, METZGAR, CUTLER, CAUSER, SCHLOSSBERG, METCALFE, KORTZ, STERN, CONKLIN, MOUL, KAUFFMAN, KNOWLES, HICKERNELL, DAVIS, TALLMAN, EVERETT, ROCK, C. HARRIS, FLECK, HESS, GROVE, READSHAW, SIMMONS, MACKENZIE, BAKER, COX, HENNESSEY, MILLARD, MILLER, CALTAGIRONE, LAWRENCE, DENLINGER, SWANGER, DEASY, GOODMAN, GILLEN, MURT AND GABLER, JANUARY 23, 2013

REFERRED TO COMMITTEE ON FINANCE, JANUARY 23, 2013

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
 2 act elating to tax reform and State taxation by codifying and
 3 enumerating certain subjects of taxation and imposing taxes
 4 thereon; providing procedures for the payment, collection,
 5 administration and enforcement thereof; providing for tax
 6 credits in certain cases; conferring powers and imposing
 7 duties upon the Department of Revenue, certain employers,
 8 fiduciaries, individuals, persons, corporations and other
 9 entities; prescribing crimes, offenses and penalties,"
 10 further providing for requirement of withholding tax.

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

13 Section 1. Section 316 of the act of March 4, 1971 (P.L.6,
 14 No.2), known as the Tax Reform Code of 1971, added August 31,
 15 1971 (P.L.362, No.93), is amended to read:

16 Section 316. Requirement of Withholding Tax.--[Every] (a)
 17 Except as provided under subsection (b), every employer
 18 maintaining an office or transacting business within this
 19 Commonwealth and making payment of compensation [(i)] (1) to a

1 resident individual, or [(ii)] (2) to a nonresident individual
2 taxpayer performing services on behalf of such employer within
3 this Commonwealth, shall deduct and withhold from such
4 compensation for each payroll period a tax computed in such
5 manner as to result, so far as practicable, in withholding from
6 the employe's compensation during each calendar year an amount
7 substantially equivalent to the tax reasonably estimated to be
8 due for such year with respect to such compensation. The method
9 of determining the amount to be withheld shall be prescribed by
10 regulations of the department.

11 (b) Subsection (a) shall not apply to the withholding of tax
12 from compensation of a resident or nonresident individual
13 serving in the armed forces of the United States in an area
14 designated by the President of the United States by Executive
15 order as a combat zone as described under section 7508 of the
16 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
17 7508), as amended, at any time during the period designated by
18 the President by Executive order as the period of combatant
19 activities in the combat zone or hospitalized as a result of
20 injury received while serving in the combat zone during that
21 time.

22 Section 2. This act shall take effect in 60 days.