

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 543 Session of  
2015

INTRODUCED BY LEACH, KITCHEN, TARTAGLIONE, SCHWANK, COSTA AND  
HUGHES, FEBRUARY 25, 2015

REFERRED TO FINANCE, FEBRUARY 25, 2015

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," in employment incentive payments, further  
11 providing for definitions and for employment incentive  
12 payments.

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

15 Section 1. The definition of "eligible individual" in  
16 section 1702-A of the act of March 4, 1971 (P.L.6, No.2), known  
17 as the Tax Reform Code of 1971, added December 15, 1999  
18 (P.L.926, No.63), is amended and the section is amended by  
19 adding a definition to read:

20 Section 1702-A. Definitions.--The following words, terms and  
21 phrases when used in this article shall have the meanings  
22 ascribed to them in this section, except where the context  
23 clearly indicates a different meaning:

"Eligible individual" means any of the following:

(1) A person who at any time within the twelve months preceding the date of hire received general assistance.

(2) A person who at any time within the twelve months preceding the date of hire received temporary assistance to needy families.

(3) A person who:

(i) has a physical or mental disability which, for such individual, constitutes or results in a substantial handicap to employment; and

(ii) is referred to the employer upon completion of or while receiving rehabilitative services pursuant to an individualized written rehabilitation plan under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 701 et seq.), or a program of vocational rehabilitation carried out under Title I of the Veterans' Rehabilitation and Education Amendments of 1980 (Public Law 96-466, 94 Stat. 2171). The term also includes a former correctional inmate.

\* \* \*

"Former correctional inmate" means a person who has been convicted of a criminal offense in this Commonwealth, has served a sentence in excess of one year at a State correctional institution operated by the Department of Corrections and has been released after the effective date of this definition in accordance with law.

\* \* \*

Section 2. Section 1703-A(c)(1) and (e) of the act, added December 15, 1999 (P.L.926, No.63), are amended to read:

Section 1703-A. Employment Incentive Payments.--\* \* \*

(c) The employment incentive payment shall be calculated on an annual basis as provided in clauses (1) and (2):

(1) [The] (i) Except as otherwise provided under subparagraph (ii), the employment incentive payment shall be the sum of thirty per cent of the first nine thousand dollars (\$9,000) of qualified first-year wages, twenty per cent of the first nine thousand dollars (\$9,000) of qualified second-year wages and ten per cent of the first nine thousand dollars (\$9,000) of qualified third-year wages.

(ii) The employment incentive payment for an eligible individual who is a former correctional inmate shall be the sum of thirty per cent of the first six thousand dollars (\$6,000) of qualified first-year wages and twenty per cent of the first six thousand dollars (\$6,000) of qualified second-year wages.

\* \* \*

(e) (1) Except in cases where an eligible individual voluntarily leaves the employment of the taxpayer, becomes disabled or is terminated for cause, no taxpayer shall be entitled to receive an employment incentive payment if the eligible individual is employed by the taxpayer for less than one year.

(2) [If] Except as otherwise provided under paragraph (3), if the eligible individual leaves the employment of the taxpayer voluntarily, becomes disabled or is terminated for cause in less than one year, the employment incentive payment shall be reduced by the proportion of the year not worked.

(3) If the eligible individual is a former correctional inmate and leaves the employment of the taxpayer voluntarily to take another job with a different employer, becomes disabled or is terminated for cause in less than one year, the employment

1 incentive payment shall be thirty per cent of the first six  
2 thousand dollars (\$6,000) of qualified wages during the course  
3 of employment with the taxpayer.

4 \* \* \*

5 Section 3. This act shall apply to taxable years commencing  
6 after December 31, 2015.

7 Section 4. This act shall take effect immediately.