

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1161 Session of 2015

INTRODUCED BY RESCHENTHALER, AUMENT, BARTOLOTTA, EICHELBERGER, TEPLITZ, GREENLEAF, WHITE, FOLMER, GORDNER, VULAKOVICH, SCARNATI, RAFFERTY, DINNIMAN, YUDICHAK, VOGEL, ARGALL, BREWSTER, HUTCHINSON, McILHINNEY, MENSCH, BROWNE, STEFANO, CORMAN AND WARD, MARCH 18, 2016

SENATOR EICHELBERGER, FINANCE, AS AMENDED, MAY 17, 2016

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 educational tax credits, further providing for
11 TAX CREDITS AND FOR limitations. <--

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

14 ~~Section 1. Section 1706 F of the act of March 4, 1971~~ <--
15 ~~(P.L.6, No.2), known as the Tax Reform Code of 1971, amended~~
16 ~~October 31, 2014 (P.L.2929, No.194), is amended to read:~~

17 SECTION 1. SECTION 1705-F OF THE ACT OF MARCH 4, 1971 <--
18 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS AMENDED
19 BY ADDING A SUBSECTION TO READ:

20 SECTION 1705-F. TAX CREDITS.

21 * * *

1 (G.1) APPROVAL OF TAX CREDITS.--UNLESS REQUESTED BY THE
2 BUSINESS FIRM AND AGREED TO BY BOTH THE BUSINESS FIRM AND THE
3 DEPARTMENT AND UNLESS ALL AUTHORIZED CREDITS HAVE ALREADY BEEN
4 AWARDED:

5 (1) FOR FISCAL YEAR 2015-2016, NO LATER THAN 10 DAYS
6 AFTER THE EFFECTIVE DATE OF THIS SUBSECTION, THE DEPARTMENT
7 SHALL PROVIDE WRITTEN NOTICE OF ITS APPROVAL TO EACH BUSINESS
8 FIRM THAT SUBMITTED A COMPLETED APPLICATION UNDER SUBSECTION
9 (G).

10 (2) FOR FISCAL YEARS 2016-2017 AND THEREAFTER, THE
11 DEPARTMENT SHALL PROVIDE WRITTEN NOTICE UPON ITS APPROVAL TO
12 EACH BUSINESS FIRM THAT SUBMITTED A COMPLETED APPLICATION
13 UNDER SUBSECTION (G) BY AUGUST 15, OR 30 DAYS FOLLOWING THE
14 RECEIPT OF THE COMPLETED APPLICATION, WHICHEVER IS LATER.

15 (3) FOR FISCAL YEARS 2015-2016 AND THEREAFTER, THE
16 DEPARTMENT SHALL GIVE WRITTEN NOTICE OF ITS APPROVAL TO EACH
17 BUSINESS FIRM THAT SUBMITTED A COMPLETED APPLICATION UNDER
18 SUBSECTION (J) (2) WITHIN 30 DAYS FOLLOWING RECEIPT OF THE
19 COMPLETED APPLICATION.

20 * * *

21 SECTION 2. SECTION 1706-F(D) OF THE ACT, AMENDED OCTOBER 31,
22 2014 (P.L.2929, NO.194), IS AMENDED TO READ:

23 Section 1706-F. Limitations.

24 * * *

25 (d) Use.--[A]

26 (1) Except as provided in paragraph (2), a tax credit
27 not used by the [applicant] business firm in the taxable year
28 the contribution was made or in the year designated by the
29 shareholder, member or partner to whom the credit was
30 transferred under section 1705-F(e) may not be carried

1 forward or carried back and is not refundable or
2 transferable.

3 (2) A tax credit awarded in fiscal year 2015-2016 to a
4 business firm making an approved contribution to a
5 scholarship organization, prekindergarten scholarship
6 organization, opportunity scholarship organization or
7 educational improvement organization may be used in the
8 taxable year in which a completed application was submitted
9 by the business firm or the taxable year in which the
10 contribution was made by the business firm, as determined by
11 the business firm.

12 * * *

13 Section 2. This act shall take effect immediately.