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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1278 Session of  
2015

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INTRODUCED BY FONTANA, WOZNIAK, COSTA, VOGEL, WARD, TARTAGLIONE  
AND STEFANO, JUNE 2, 2016

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REFERRED TO FINANCE, JUNE 2, 2016

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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 research and development tax credit, further  
11 providing for time limitations.

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

14 Section 1. Section 1707-B of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended  
16 July 12, 2006 (P.L.1137, No.116), is amended to read:

17 Section 1707-B. [Time Limitations.--A taxpayer is not  
18 entitled to a research and development tax credit for  
19 Pennsylvania qualified research and development expenses  
20 incurred in taxable years ending after December 31, 2015. The  
21 termination date in section 41(h) of the Internal Revenue Code  
22 of 1986 (Public Law 99-514, 26 U.S.C. § 41(h)) does not apply to

1 a taxpayer who is eligible for the research and development tax  
2 credit under this article for the taxable year in which the  
3 Pennsylvania qualified research and development expense is  
4 incurred.] (Reserved).

5 Section 2. This act shall take effect immediately.