
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 625 Session of
2017

INTRODUCED BY MURT, BULLOCK, DEAN, GAINEY, McNEILL AND ROZZI,
FEBRUARY 24, 2017

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 24, 2017

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 insurance premiums tax, further providing for
11 definitions, for imposition of tax and for credits for
12 assessments paid; and making editorial changes.

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

15 Section 1. Section 901 of the act of March 4, 1971 (P.L.6,
16 No.2), known as the Tax Reform Code of 1971, is amended by
17 adding a clause to read:

18 Section 901. Definitions.--The following terms, when used in
19 this article, shall have the meaning ascribed to them in this
20 section:

21 * * *

22 (8) "Department" means the Department of Revenue of the
23 Commonwealth.

1 Section 2. Section 902 heading and (c) of the act are
2 amended and the section is amended by adding a subsection to
3 read:

4 Section 902. General rule.--* * *

5 (a.1) Additional tax.--Notwithstanding any other provisions
6 of law, every insurance company, as herein defined, transacting
7 business in the Commonwealth of Pennsylvania, shall pay to the
8 department, an additional tax at the rate of one-half of one per
9 cent of the gross premiums received from business done within
10 this Commonwealth during each calendar year, which shall be
11 allocated to the Department of Human Services for the Office of
12 Developmental Programs.

13 * * *

14 (c) Other Taxes.--[All other] Except as provided in
15 subsections (a.1) and (b), taxes received under this article
16 shall be credited to the General Fund for general revenue
17 purposes.

18 Section 3. Section 902.1(b) of the act is amended to read:

19 Section 902.1. Credits for Assessments Paid.--* * *

20 (b) Any sums which are acquired by a member insurer from the
21 guaranty association either by refund or by receipt of an offset
22 which may be used against an assessment and which have been used
23 in calculating a credit under subsection (a) shall reduce the
24 amount of unused credits or shall be paid by such insurer to the
25 Commonwealth, as the [Department of Revenue] department may
26 require. The guaranty association shall notify the department
27 and the Insurance Commissioner that such sums have been acquired
28 by the member insurer.

29 * * *

30 Section 4. The amendment or addition of section 902(a.1) and

1 (c) of the act shall apply to tax years beginning after December
2 31, 2017.

3 Section 5. This act shall take effect immediately.