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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1481 Session of  
2019

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INTRODUCED BY MASSER, GOODMAN, KNOWLES, HEFFLEY, TOBASH,  
MILLARD, JAMES, LONGIETTI, BARRAR, SNYDER, KAUFER,  
OBERLANDER, CARROLL, GREINER, CAUSER, SAINATO, KORTZ,  
BERNSTINE, BURNS, PYLE, MULLERY, STRUZZI, MAKO, BENNINGHOFF,  
MARSHALL, EVERETT, GABLER, T. DAVIS, FLYNN, GLEIM, NESBIT AND  
READSHAW, MAY 22, 2019

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REFERRED TO COMMITTEE ON FINANCE, MAY 22, 2019

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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 coal refuse energy and reclamation tax credit,  
11 further providing for definitions, for application and  
12 approval of tax credit and for limitation on tax credits.

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

15 Section 1. Section 1703-J of the act of March 4, 1971  
16 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended  
17 by adding definitions to read:

18 Section 1703-J. Definitions.

19 The following words and phrases when used in this article  
20 shall have the meanings given to them in this section unless the  
21 context clearly indicates otherwise:

1 \* \* \*

2 "Federal coal refuse reclamation tax credit amount." The  
3 actual amount of tax credits obtained by an eligible facility  
4 under a Federal coal refuse reclamation tax credit program in  
5 the four Federal tax quarters that precede the fiscal year in  
6 which credits are awarded under section 1707-J(a).

7 "Federal coal refuse reclamation tax credit program." A tax  
8 credit established under the Federal Internal Revenue Code that  
9 provides a tax credit for an eligible facility against Federal  
10 income taxes based upon the amount of coal refuse used at the  
11 eligible facility.

12 \* \* \*

13 Section 2. Section 1704-J(d) of the act is amended and the  
14 section is amended by adding a subsection to read:  
15 Section 1704-J. Application and approval of tax credit.

16 \* \* \*

17 (c.1) Netting of Federal tax credit.--If a Federal coal  
18 refuse reclamation tax credit program is adopted and becomes  
19 effective, the following shall apply:

20 (1) Each eligible facility shall report as part of its  
21 application under subsection (a) the Federal coal refuse  
22 reclamation tax credit amount received by the eligible  
23 facility for the four Federal tax quarters that immediately  
24 preceded the submittal of the application.

25 (2) The amount of tax credits received by an eligible  
26 facility as calculated under subsection (b) shall be reduced  
27 by the Federal coal refuse reclamation tax credit amount  
28 received by the eligible facility for the four Federal tax  
29 quarters that immediately preceded the submittal of the  
30 application under this section.

1 (d) Expiration.--The department may not approve an  
2 application for a tax credit under this article after December  
3 31, [2026] 2036.

4 Section 3. Section 1707-J(a) of the act is amended to read:  
5 Section 1707-J. Limitation on tax credits.

6 (a) Amount.--The total amount of tax credits issued by the  
7 department may not exceed \$7,500,000 in fiscal year 2016-2017  
8 [and \$10,000,000 in each fiscal year thereafter], \$10,000,000 in  
9 fiscal years 2017-2018 and 2018-2019 and \$45,000,000 in each  
10 fiscal year thereafter.

11 \* \* \*

12 Section 4. This act shall take effect in 60 days.