

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2497 Session of 2020

INTRODUCED BY DUNBAR, PEIFER, GREINER AND RYAN, MAY 12, 2020

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, MAY 19, 2020

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 personal income tax, further providing for
11 classes of income.

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

14 Section 1. Section 303(a.7) (2) (i) of the act of March 4,
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, is
16 amended by adding a clause to read:

17 Section 303. Classes of Income.--* * *

18 (a.7) The following apply:

19 (2) (i) The following shall not be subject to tax under
20 this article:

21 * * *

22 (E) A forgiveness of indebtedness granted under SECTION

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1 1106(B) OF the Federal Coronavirus Aid, Relief, and Economic
2 Security Act (Public Law 116-136, 134 Stat. 281) for a loan <--
3 which is guaranteed under section 7(a) of the Small Business Act
4 (Public Law 85-536, 15 U.S.C. § 636(a)) and issued to assist
5 with maintaining payroll costs during the period beginning after
6 February 29, 2020, and ending before July 1, 2020, by an
7 authorized lender. The amount of forgiveness under this clause
8 must not exceed the amount approved by the authorized lender
9 that issued the loan.

10 * * *

11 Section 2. This act shall take effect immediately.