
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 451 Session of
2019

INTRODUCED BY SANTARSIERO, COSTA, BLAKE, STREET, FARNESE AND
MUTH, MARCH 19, 2019

REFERRED TO FINANCE, MARCH 19, 2019

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," providing for a commuter and commerce toll tax
11 credit.

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

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

17 ARTICLE XVII-L

18 COMMUTER AND COMMERCE TOLL TAX CREDIT

19 Section 1701-L. Scope of article.

20 This article relates to the commuter and commerce toll tax
21 credit.

22 Section 1702-L. Definitions.

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

4 "Department." The Department of Revenue of the Commonwealth.

5 "Pass-through entity." Any of the following:

6 (1) A partnership, limited partnership, limited
7 liability company, business trust or other unincorporated
8 entity that for Federal income tax purposes is taxable as a
9 partnership.

10 (2) A Pennsylvania S corporation.

11 "Qualified tax liability." For a taxpayer who is an
12 individual, taxes imposed under Article III and for all other
13 taxpayers, taxes imposed under Articles III, IV and VI. The term
14 shall include the liability for taxes imposed under Article III
15 on a shareholder of a pass-through entity.

16 "Qualified toll expense." Any remuneration paid through the
17 use of an E-ZPass transponder or paid with cash or a credit or
18 debit card for access and use of the Pennsylvania Turnpike and
19 all toll bridges operated under the Delaware River Joint Toll
20 Bridge Commission, the Delaware River Port Authority of
21 Pennsylvania and New Jersey and the Burlington County Bridge
22 Commission.

23 "Tax credit." The Commuter and Commerce Toll Tax Credit
24 authorized under this article.

25 "Taxpayer." A Pennsylvania-based entity or individual
26 Pennsylvania resident subject to tax under Article III, IV or
27 VI. The term shall include the shareholder, owner or member of a
28 pass-through entity that receives a tax credit.

29 Section 1703-L. Credit for qualified toll expense.

30 (a) Application.--A taxpayer that incurs a qualified toll

1 expense in a taxable year may apply for a tax credit as provided
2 under this article. By September 15 of each year, a taxpayer
3 must submit an application to the department for a qualified
4 toll expense incurred in the taxable year that ended in the
5 prior calendar year.

6 (b) Receipt.--A taxpayer that is qualified under subsection
7 (a) shall receive a tax credit for the taxable year in the
8 amount of 50%, not to exceed \$500, of the taxpayer's total
9 qualified toll expense for the taxable year.

10 (c) Notification.--By December 15 of the calendar year
11 following the close of the taxable year during which the
12 qualified toll expense was incurred, the department shall notify
13 the taxpayer of the amount of the taxpayer's tax credit approved
14 by the department.

15 Section 1704-L. Limitation on credits.

16 (a) Total amount.--The total amount of tax credits approved
17 by the department may not be limited in any fiscal year.

18 (b) Allocation.--Tax credits to each taxpayer under this
19 article may not exceed \$500 annually.

20 Section 1705-L. Shareholder, owner or member pass-through.

21 (a) Application to Pennsylvania S corporations.--If a
22 Pennsylvania S corporation does not have an eligible tax
23 liability against which the tax credit may be applied, a
24 shareholder of the Pennsylvania S corporation shall be entitled
25 to a tax credit equal to the tax credit determined for the
26 Pennsylvania S corporation for the taxable year multiplied by
27 the percentage of the Pennsylvania S corporation's distributive
28 income to which the shareholder is entitled.

29 (b) Other applications.--If a pass-through entity other than
30 a Pennsylvania S corporation does not have an eligible tax

1 liability against which the tax credit may be applied, an owner
2 or member of the pass-through entity shall be entitled to a tax
3 credit equal to the tax credit determined for the pass-through
4 entity for the taxable year multiplied by the percentage of the
5 pass-through entity's distributive income to which the owner or
6 member is entitled.

7 (c) Additional credit.--The credit provided under subsection
8 (a) or (b) shall be in addition to any tax credit to which a
9 shareholder, owner or member of a pass-through entity is
10 otherwise entitled under this article, except that a pass-
11 through entity and a shareholder, owner or member of a pass-
12 through entity may not claim a credit under this article for the
13 same qualified toll expense.

14 Section 1706-L. Regulations.

15 The department shall promulgate regulations necessary for the
16 implementation and administration of this article.

17 Section 2. The addition of Article XVII-L of the act shall
18 apply to taxable years beginning after December 31, 2019.

19 Section 3. This act shall take effect in 60 days.