
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 577 Session of
2019

INTRODUCED BY MENSCH, GORDNER, BROWNE, K. WARD, AUMENT, FOLMER,
DISANTO, STEFANO, BARTOLOTTA, J. WARD AND PHILLIPS-HILL,
APRIL 22, 2019

REFERRED TO FINANCE, APRIL 22, 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," in corporate net income tax, further providing
11 for imposition of tax.

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

14 Section 1. Section 402 of the act of March 4, 1971 (P.L.6,
15 No.2), known as the Tax Reform Code of 1971, is amended to read:

16 Section 402. Imposition of Tax.--(a) A corporation shall be
17 subject to and shall pay an excise tax for exercising, whether
18 in its own name or through any person, association, business
19 trust, corporation, joint venture, limited liability company,
20 limited partnership, partnership or other entity, any of the
21 following privileges:

22 (1) Doing business in this Commonwealth.

1 (2) Carrying on activities in this Commonwealth, including
2 solicitation which is not protected activity under the act of
3 September 14, 1959 (Public Law 86-272, 15 U.S.C. § 381 et seq.).

4 (3) Having capital or property employed or used in this
5 Commonwealth.

6 (4) Owning property in this Commonwealth.

7 (b) The annual rate of tax on corporate net income imposed
8 by subsection (a) for taxable years beginning for the calendar
9 year or fiscal year on or after the dates set forth shall be as
10 follows:

11 Taxable Year	Tax Rate
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12 January 1, 1995, and 13 each taxable year	
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14 [thereafter]	
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15 <u>through December</u>	
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16 <u>31, 2019</u>	9.99%
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17 <u>January 1, 2020, and</u>	
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18 <u>each taxable year</u>	
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19 <u>through December</u>	
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20 <u>31, 2020</u>	<u>8.99%</u>
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21 <u>January 1, 2021, and</u>	
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22 <u>each taxable year</u>	
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23 <u>through December</u>	
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24 <u>31, 2021</u>	<u>7.99%</u>
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25 <u>January 1, 2022, and</u>	
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26 <u>each taxable year</u>	
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27 <u>thereafter</u>	<u>6.99%</u>
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28 (c) An entity subject to taxation under Article VII, VIII,
29 IX or XV shall not be subject to the tax imposed by this
30 article.

1 Section 2. This act shall take effect immediately.