

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 766 Session of
2021

INTRODUCED BY GREINER, ROTHMAN, RYAN, MILLARD, GROVE, MENTZER,
DUNBAR, WARREN, ZIMMERMAN, JAMES, WHEELAND, GILLEN AND
ORTITAY, MARCH 3, 2021

SENATOR HUTCHINSON, FINANCE, IN SENATE, AS AMENDED,
APRIL 19, 2021

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, providing for COVID-19
11 emergency finance and tax provision; and in corporate net
12 income tax, further providing for reports and payment of tax
13 and for extension of time to file reports.

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

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

19 Section 330.2. COVID-19 Emergency Finance and Tax
20 Provision.--(a) The General Assembly finds and declares that
21 there are circumstances under which it is impossible to
22 effectively comply with law relating to State finance or State

1 tax and during such circumstances, it is necessary for
2 Commonwealth agencies to exercise temporary powers and duties <--
3 provided under this section.

4 (b) (1) This subsection provides temporary authority to the
5 department to deal with State taxation during the state of
6 disaster emergency announced by the Governor's March 6, 2020,
7 proclamation of disaster emergency, and any renewal of the state
8 of disaster emergency.

9 (2) The department shall disregard the period after April
10 14, 2021, and before May 17, 2021, in the calculation of
11 interest, a penalty or an addition to tax for failure to meet an
12 extended deadline under section 330.

13 (3) This subsection shall expire May 31, 2021.

14 (c) (1) This subsection provides temporary authority to the
15 Department of Community and Economic Development to deal with
16 local taxation during the state of disaster emergency announced
17 by the Governor's March 6, 2020, proclamation of disaster
18 emergency, and any renewal of the state of disaster emergency.

19 (2) During the state of disaster emergency under paragraph
20 (1), the Department of Community and Economic Development shall
21 coordinate with the governing bodies and local agencies of
22 political subdivisions to do all of the following:

23 (i) Extend filing and payment deadlines for local taxes
24 under Chapter 5 of the act of December 31, 1965, known as the
25 Local Tax Enabling Act, and related statutory provisions,
26 ordinances and resolutions so that the deadlines coincide with
27 the filing deadline for a tax return and payment of section 330.

28 (ii) Disregard the period after April 14, 2021, and before
29 May 17, 2021, in the calculation of interest, a penalty or an
30 addition to tax for failure to meet an extended deadline under

1 subparagraph (i)

2 (3) This subsection shall expire May 31, 2021.

3 (D) (1) THIS SUBSECTION SHALL PROVIDE PERMANENT AUTHORITY <--

4 TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO DEAL

5 WITH LOCAL TAXATION. NOTWITHSTANDING THE ACT OF DECEMBER 31,

6 1965 (P.L.1257, NO.511), KNOWN AS THE LOCAL TAX ENABLING ACT,

7 THE FILING DEADLINE OF A FINAL RETURN UNDER CHAPTER 5 OF THE

8 LOCAL TAX ENABLING ACT AND RELATED STATUTORY PROVISIONS,

9 ORDINANCES AND RESOLUTIONS SHALL COINCIDE WITH THE FILING

10 DEADLINE FOR A TAX RETURN UNDER SECTION 330 OF THE TAX REFORM

11 CODE OF 1971.

12 (2) THIS SUBSECTION SHALL NOT EXPIRE.

13 Section 2. Sections 403(a)(1) and (e) and 405 of the act are
14 amended to read:

15 Section 403. Reports and Payment of Tax.--(a) (1) It shall
16 be the duty of every corporation, liable to pay tax under this
17 article, to transmit to the department, upon a form prescribed
18 by the department, an annual report under oath or affirmation of
19 its president, vice-president, treasurer, assistant treasurer or
20 other authorized officers of net income taxable under the
21 provisions of this article:

22 (i) on or before April 15, 1972, and every April 15 of each
23 year thereafter through April 15, 2016; [and]

24 (ii) for taxable years beginning after December 31, 2015, on
25 or before thirty days after the return to the Federal Government
26 is due, or would be due were it to be required of such
27 corporation, subject in all other respects to the provisions of
28 this article[.]; and

29 (iii) for taxable years beginning after December 31, 2020,
30 on or before the fifteenth day of the month following the due

1 date of the return to the Federal Government, or would be due
2 were it to be required of such corporation, subject in all other
3 respects to the provisions of this article.

4 * * *

5 (e) If any corporation closes its fiscal year not upon
6 December 31, but upon some other date, and reports to the
7 Federal Government as of such other date, or would so report
8 were it to make a return to the Federal Government, such
9 corporation shall certify such fact to the department, and shall
10 make the annual report, herein required, [within thirty days
11 after the return to the Federal Government is due] on or before
12 the fifteenth day of the month following the due date of the
13 return to the Federal Government, or would be due were it to be
14 required of such corporation, subject in all other respects to
15 the provisions of this article.

16 * * *

17 Section 405. Extension of Time to File Reports.--The
18 department may, upon application made to it, in such form as it
19 shall prescribe, on or prior to the last day for filing any
20 annual report, and upon proper cause shown, grant to the
21 corporation, required to file such report, an extension of not
22 more than sixty days within which such report may be filed. If
23 the Federal income tax authorities grant an extension of time
24 for filing the reports with the Federal Government, the
25 department shall automatically grant an extension of time for
26 filing the annual report under this article [of thirty days
27 after] until the fifteenth day of the month following the
28 termination of the Federal extension, but the amount of tax due
29 shall, in such cases, nevertheless, be subject to interest from
30 the due dates and at the rates fixed by this article.

1 Section 3. ~~The~~ THIS ACT SHALL TAKE EFFECT AS FOLLOWS: <--

2 (1) THE amendment or addition of sections 403(a)(1)(iii)
3 and (e) and 405 of the act shall apply to taxable years
4 beginning after December 31, 2020.

5 (2) THE ADDITION OF SECTION 330.2(D) OF THE ACT SHALL <--
6 APPLY TO TAXABLE YEARS BEGINNING AFTER THE EFFECTIVE DATE OF
7 THIS SECTION.

8 Section 4. This act shall take effect immediately.