

---

 THE GENERAL ASSEMBLY OF PENNSYLVANIA
 

---

# HOUSE BILL

No. **952** Session of  
2021

---

INTRODUCED BY OBERLANDER, MUSTELLO, KAUFER, RYAN, MILLARD,  
LONGIETTI, JAMES, NEILSON, SAYLOR, PICKETT, SANKEY,  
BERNSTINE, METCALFE, MARSHALL, WHEELAND, SAINATO, FARRY,  
LABS, MIHALEK, HENNESSEY, D. WILLIAMS, CIRESI, KAUFFMAN,  
SHUSTERMAN, HOWARD, MALAGARI, MIZGORSKI, C. WILLIAMS AND  
TOOHIL, MARCH 17, 2021

---

SENATOR BROWNE, APPROPRIATIONS, IN SENATE, RE-REPORTED AS  
AMENDED, JUNE 25, 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 computer data center equipment incentive~~  
 11 ~~program, further providing for definitions and for review of~~  
 12 ~~application, providing for applicability and for sales and~~  
 13 ~~use tax exemption program; imposing duties on the Department~~  
 14 ~~of Revenue; and making editorial changes.~~  
 15 AMENDING THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), ENTITLED "AN <--  
 16 ACT RELATING TO TAX REFORM AND STATE TAXATION BY CODIFYING  
 17 AND ENUMERATING CERTAIN SUBJECTS OF TAXATION AND IMPOSING  
 18 TAXES THEREON; PROVIDING PROCEDURES FOR THE PAYMENT,  
 19 COLLECTION, ADMINISTRATION AND ENFORCEMENT THEREOF; PROVIDING  
 20 FOR TAX CREDITS IN CERTAIN CASES; CONFERRING POWERS AND  
 21 IMPOSING DUTIES UPON THE DEPARTMENT OF REVENUE, CERTAIN  
 22 EMPLOYERS, FIDUCIARIES, INDIVIDUALS, PERSONS, CORPORATIONS  
 23 AND OTHER ENTITIES; PRESCRIBING CRIMES, OFFENSES AND  
 24 PENALTIES," IN SALES AND USE TAX, FURTHER PROVIDING FOR  
 25 EXCLUSIONS FROM TAX; IN PERSONAL INCOME TAX, FURTHER  
 26 PROVIDING FOR CLASSES OF INCOME, FOR WITHHOLDING TAX  
 27 REQUIREMENT FOR NONEMPLOYER PAYORS, FOR INFORMATION STATEMENT  
 28 FOR NONEMPLOYER PAYORS AND FOR INFORMATION STATEMENT FOR

1 PAYEES, PROVIDING FOR ELECTRONIC PAYMENT AND FURTHER  
2 PROVIDING FOR REQUIREMENTS CONCERNING RETURNS, NOTICES,  
3 RECORDS AND STATEMENTS AND FOR ADDITIONS, PENALTIES AND FEES;  
4 IN CORPORATE NET INCOME TAX, FURTHER PROVIDING FOR  
5 DEFINITIONS; IN BANK AND TRUST COMPANY SHARES TAX, FURTHER  
6 PROVIDING FOR DEFINITIONS; IN REALTY TRANSFER TAX, CORRECTING  
7 A SCRIVENER'S ERROR RELATING TO CREDITS AGAINST TAX; IN TAX  
8 CREDIT ELIGIBILITY, FURTHER PROVIDING FOR DEFINITIONS AND FOR  
9 ELIGIBILITY AND PROVIDING FOR APPLICATION AND ADMINISTRATION,  
10 FOR ASSESSMENT, FOR ADMINISTERING AGENCY TRAINING, FOR BROKER  
11 REGISTRATION, FOR TAX CREDIT AND TAX BENEFIT REPORTS, FOR  
12 ALLOCATION OF TAX CREDITS OR TAX BENEFITS AWARDED UPON APPEAL  
13 AND FOR GUIDELINES; IN RESEARCH AND DEVELOPMENT TAX CREDIT,  
14 FURTHER PROVIDING FOR CREDIT FOR RESEARCH AND DEVELOPMENT  
15 EXPENSES, FOR CARRYOVER, CARRYBACK, REFUND AND ASSIGNMENT OF  
16 CREDIT AND FOR REPORT TO GENERAL ASSEMBLY; IN ENTERTAINMENT  
17 PRODUCTION TAX CREDIT, FURTHER PROVIDING FOR DEFINITIONS, FOR  
18 CREDIT FOR QUALIFIED FILM PRODUCTION EXPENSES, FOR REISSUANCE  
19 OF FILM PRODUCTION TAX CREDITS, FOR DEFINITIONS AND FOR  
20 LIMITATIONS AND PROVIDING FOR PENNSYLVANIA LIVE EVENTS  
21 INDUSTRY COVID-19 EMERGENCY ASSISTANCE; IN LOCAL RESOURCE  
22 MANUFACTURING TAX CREDIT, FURTHER PROVIDING FOR APPLICATION  
23 AND APPROVAL OF TAX CREDIT; IN KEYSTONE OPPORTUNITY ZONES,  
24 KEYSTONE OPPORTUNITY EXPANSION ZONES AND KEYSTONE OPPORTUNITY  
25 IMPROVEMENT ZONES, PROVIDING FOR EXTENSION FOR KEYSTONE  
26 OPPORTUNITY EXPANSION ZONE AND FURTHER PROVIDING FOR  
27 ADDITIONAL KEYSTONE OPPORTUNITY EXPANSION ZONES; IN MIXED-USE  
28 DEVELOPMENT TAX CREDIT, FURTHER PROVIDING FOR MIXED-USE  
29 DEVELOPMENT TAX CREDITS; IN KEYSTONE INNOVATIONS ZONES,  
30 FURTHER PROVIDING FOR KEYSTONE INNOVATION ZONE TAX CREDITS  
31 AND FOR ANNUAL REPORT; IN PENNSYLVANIA HOUSING TAX CREDIT,  
32 FURTHER PROVIDING FOR PENNSYLVANIA HOUSING TAX CREDIT AND FOR  
33 ANNUAL REPORT; IN TABLE GAME TAXES, REPEALING PROVISIONS  
34 RELATING TO EXPIRATION; IN PROCEDURE AND ADMINISTRATION,  
35 FURTHER PROVIDING FOR PETITION FOR REASSESSMENT, FOR PETITION  
36 PROCEDURE AND FOR REVIEW BY BOARD; IN COMPUTER DATA CENTER  
37 EQUIPMENT INCENTIVE PROGRAM, FURTHER PROVIDING FOR  
38 DEFINITIONS AND PROVIDING FOR APPLICABILITY AND FOR SALES AND  
39 USE TAX EXEMPTION PROGRAM; IN GENERAL PROVISIONS, FURTHER  
40 PROVIDING FOR BAD CHECKS, ELECTRONIC FUNDS TRANSFERS NOT  
41 CREDITED UPON TRANSMISSION AND ADDITIONS TO TAX; IMPOSING  
42 DUTIES ON THE DEPARTMENT OF REVENUE; AND MAKING EDITORIAL  
43 CHANGES.

44 The General Assembly of the Commonwealth of Pennsylvania  
45 hereby enacts as follows:

46 ~~Section 1. Article XXIX-D of the act of March 4, 1971~~ <--  
47 ~~(P.L.6, No.2), known as the Tax Reform Code of 1971, is amended~~  
48 ~~by adding a subarticle heading to read:~~

49 SUBARTICLE A

50 PRELIMINARY PROVISIONS

51 ~~Section 2. The definition of "tax refund" in section 2901-D~~

1 ~~of the act is amended and the section is amended by adding~~  
2 ~~definitions to read:~~

3 ~~Section 2901 D. Definitions.~~

4 ~~The following words and phrases when used in this article~~  
5 ~~shall have the meanings given to them in this section unless the~~  
6 ~~context clearly indicates otherwise:~~

7 ~~\* \* \*~~

8 ~~"Tax exemption." The tax exemption provided under Subarticle~~  
9 ~~C.~~

10 ~~"Tax refund." The tax refund provided for under [this~~  
11 ~~article] Subarticle B.~~

12 ~~"Telecommunications provider." A provider of~~  
13 ~~telecommunications services as defined in 61 Pa. Code § 60.20~~  
14 ~~(relating to telecommunications service).~~

15 ~~\* \* \*~~

16 ~~Section 3. Article XXIX D of the act is amended by adding a~~  
17 ~~subarticle heading to read:~~

18 ~~SUBARTICLE B~~

19 ~~SALES AND USE TAX REFUND PROGRAM~~

20 ~~Section 4. Section 2902 D of the act is renumbered to read:~~  
21 ~~Section [2902 D] 2911 D. Sales and use tax refund.~~

22 ~~(a) Application. Beginning July 1, 2017, an owner or~~  
23 ~~operator or qualified tenant of a computer data center certified~~  
24 ~~under this article may apply for a tax refund of taxes paid~~  
25 ~~under Article II upon the sale at retail or use of computer data~~  
26 ~~center equipment for installation in a computer data center,~~  
27 ~~purchased by:~~

28 ~~(1) An owner or operator of a computer data center~~  
29 ~~certified under this article.~~

30 ~~(2) A qualified tenant certified under this article.~~

1 ~~(b) Applicability. Taxes paid under Article II during the~~  
2 ~~qualification period shall be eligible for a refund under this~~  
3 ~~article.~~

4 ~~(c) Exclusions. The following do not qualify for a tax~~  
5 ~~refund:~~

6 ~~(1) Computer data center equipment used by the computer~~  
7 ~~data center to:~~

8 ~~(i) generate electricity for resale purposes to a~~  
9 ~~power utility, except for sales incidental to the primary~~  
10 ~~sale to computer data centers and which qualify under~~  
11 ~~subparagraph (ii); or~~

12 ~~(ii) generate, provide or sell more than 5% of its~~  
13 ~~electricity outside of the computer data center.~~

14 ~~(2) (Reserved).~~

15 ~~Section 5. Sections 2903 D, 2904 D and 2905 D of the act are~~  
16 ~~amended to read:~~

17 ~~Section [2903 D] 2912 D. Application for certification.~~

18 ~~To be considered for a certification, an owner or operator of~~  
19 ~~a computer data center shall submit to the department an~~  
20 ~~application on a form prescribed by the department that includes~~  
21 ~~the following:~~

22 ~~(1) The owner's or operator's name, address and~~  
23 ~~telephone number.~~

24 ~~(2) The address of the site where the facility is or~~  
25 ~~will be located, including, if applicable, information~~  
26 ~~sufficient to identify the specific portion or portions of~~  
27 ~~the facility comprising the computer data center.~~

28 ~~(3) If the computer data center is to qualify under~~  
29 ~~section [2906 D(1)] 2915 D(1), the following information:~~

30 ~~(i) The anticipated investment associated with the~~

1 ~~computer data center for which the certification is being~~  
2 ~~sought.~~

3 ~~(ii) An affirmation, signed by an authorized~~  
4 ~~executive representing the owner or operator, that the~~  
5 ~~computer data center is expected to satisfy the~~  
6 ~~certification requirements prescribed in section [2906~~  
7 ~~D(1)] 2915 D(1).~~

8 ~~(4) If the computer data center is to qualify under~~  
9 ~~section [2906 D(2)] 2915 D(2), an affirmation, signed by an~~  
10 ~~authorized executive representing the owner or operator, that~~  
11 ~~the computer data center has satisfied, or will satisfy, the~~  
12 ~~certification requirements prescribed in section [2906 D(2)]~~  
13 ~~2915 D(2).~~

14 ~~(5) The department shall begin accepting applications no~~  
15 ~~later than 90 days after the effective date of this section.~~  
16 ~~Section [2904 D] 2913 D. Review of application.~~

17 ~~(a) General rule. Within 60 days after receiving a complete~~  
18 ~~and correct application, the department shall review the~~  
19 ~~application and either issue a written certification that the~~  
20 ~~computer data center qualifies for the certification or provide~~  
21 ~~written reasons for its denial.~~

22 ~~(b) Deemed approval. Failure of the department to approve~~  
23 ~~or deny an application within 60 days after the date the owner~~  
24 ~~or operator of a computer data center submits the application to~~  
25 ~~the department constitutes certification of the computer data~~  
26 ~~center, and the department shall issue written certification to~~  
27 ~~the owner or operator within 14 days. The department may not~~  
28 ~~certify any computer data center after December 31, 2029.~~

29 ~~(c) Limitation. The department may not certify any computer~~  
30 ~~data center under this subarticle after December 31, 2021.~~

1 ~~Section [2905 D] 2914 D. Separation of facilities.~~

2 ~~(a) Separate certification. An owner or operator of a~~  
3 ~~computer data center may separate a facility into one or more~~  
4 ~~computer data centers, which may each receive a separate~~  
5 ~~certification, if each computer data center individually meets~~  
6 ~~the requirements prescribed in section [2906 D] 2915 D.~~

7 ~~(b) Limitation. A portion of a facility or an article of~~  
8 ~~computer data equipment shall not be deemed to be a part of more~~  
9 ~~than one computer data center.~~

10 ~~(c) Aggregation. An owner or operator may aggregate one or~~  
11 ~~more parcels, buildings or condominiums in a facility into a~~  
12 ~~single computer data center if, in the aggregate, the parcels,~~  
13 ~~buildings and condominiums meet the requirements of this~~  
14 ~~article.~~

15 ~~Section 6. Section 2906 D of the act is renumbered to read:~~  
16 ~~Section [2906 D] 2915 D. Eligibility requirements.~~

17 ~~A computer data center must meet one of the following~~  
18 ~~requirements, after taking into account the combined investments~~  
19 ~~made and annual compensation paid by the owner or operator of~~  
20 ~~the computer data center or the qualified tenant:~~

21 ~~(1) On or before the fourth anniversary of~~  
22 ~~certification, the computer data center creates a minimum~~  
23 ~~investment of:~~

24 ~~(i) At least \$25,000,000 of new investment if the~~  
25 ~~computer data center is located in a county with a~~  
26 ~~population of 250,000 or fewer individuals; or~~

27 ~~(ii) At least \$50,000,000 of new investment if the~~  
28 ~~computer data center is located in a county with a~~  
29 ~~population of more than 250,000 individuals.~~

30 ~~(2) One or more taxpayers operating or occupying a~~

1 ~~computer data center, in the aggregate, pay annual~~  
2 ~~compensation of at least \$1,000,000 to employees at the~~  
3 ~~certified computer data center site for each year of the~~  
4 ~~certification after the fourth anniversary of certification.~~

5 ~~Section 7. Sections 2907 D and 2908 D of the act are amended~~  
6 ~~to read:~~

7 ~~Section [2907 D] 2916 D. Notification.~~

8 ~~(a) Requirements satisfied. On or before the fourth~~  
9 ~~anniversary of the certification of a computer data center, the~~  
10 ~~owner or operator of a computer data center shall notify the~~  
11 ~~department in writing whether the computer data center for which~~  
12 ~~the certification is requested has satisfied the requirements~~  
13 ~~prescribed in section [2906 D] 2915 D.~~

14 ~~(b) Records. Until a computer data center satisfies the~~  
15 ~~requirements prescribed in section [2906 D] 2915 D, the owner,~~  
16 ~~operator and qualified tenants shall maintain detailed records~~  
17 ~~of all investments created by the computer data center,~~  
18 ~~including costs of buildings and computer data center equipment,~~  
19 ~~and all tax refunds directly received by the owner, operator or~~  
20 ~~qualified tenant.~~

21 ~~Section [2908 D] 2917 D. Revocation of certification.~~

22 ~~(a) Revocation. If the department determines that the~~  
23 ~~requirements of section [2906 D] 2915 D have not been satisfied,~~  
24 ~~the department may revoke the certification of a computer data~~  
25 ~~center.~~

26 ~~(b) Appeal. The owner or operator of the computer data~~  
27 ~~center may appeal the revocation. Appeals filed under this~~  
28 ~~section shall be governed by Article II.~~

29 ~~(c) Recapture. If certification is revoked pursuant to this~~  
30 ~~section, the qualification period of any owner, operator or~~

1 ~~qualified tenant of the computer data center expires, and the~~  
2 ~~department may recapture from the owner, operator or qualified~~  
3 ~~tenant all or part of the tax refund provided directly to the~~  
4 ~~owner or operator or qualified tenant. The department may give~~  
5 ~~special consideration or allow a temporary exemption from~~  
6 ~~recapture of the tax refund if there is extraordinary hardship~~  
7 ~~due to factors beyond the control of the owner or operator or~~  
8 ~~qualified tenant.~~

9 ~~Section 8. Section 2909 D of the act is renumbered to read:~~  
10 ~~Section [2909 D] 2918 D. Guidelines.~~

11 ~~The department shall publish guidelines and prescribe forms~~  
12 ~~and procedures as necessary for the purposes of this article.~~

13 ~~Section 9. Section 2910 D of the act is amended to read:~~  
14 ~~Section [2910 D] 2919 D. Confidential information.~~

15 ~~Proprietary business information contained in the application~~  
16 ~~form described in section [2903 D] 2912 D and the written notice~~  
17 ~~described in section [2907 D] 2916 D, as well as information~~  
18 ~~concerning the identity of a qualified tenant, are confidential~~  
19 ~~and may not be disclosed to the public. The department may~~  
20 ~~disclose the name of a computer data center that has been~~  
21 ~~certified under this article.~~

22 ~~Section 10. Section 2911 D of the act is renumbered to read:~~  
23 ~~Section [2911 D] 2920 D. List of tenants.~~

24 ~~An owner or operator of a computer data center shall provide,~~  
25 ~~to the extent permissible under Federal law, the department with~~  
26 ~~a list of qualified tenants, including the commencement and~~  
27 ~~expiration dates of each qualified tenant's agreement to use or~~  
28 ~~occupy part of the computer data center. The list shall be~~  
29 ~~provided to the department annually, upon request by the~~  
30 ~~department.~~



1 ~~Section 11. Section 2912 D of the act is amended to read:~~

2 ~~Section [2912 D] 2921 D. Sale or transfer.~~

3 ~~Except as provided in section [2908 D] 2917 D, a computer~~  
4 ~~data center retains its certification regardless of a transfer,~~  
5 ~~sale or other disposition, directly or indirectly, of the~~  
6 ~~computer data center.~~

7 ~~Section 12. Sections 2913 D and 2914 D of the act are~~  
8 ~~renumbered to read:~~

9 ~~Section [2913 D] 2922 D. Application.~~

10 ~~(a) General rule. An owner, operator or qualified tenant~~  
11 ~~may apply for a tax refund under this article on or before July~~  
12 ~~30, 2017, and each July 30 thereafter.~~

13 ~~(b) Notification. No later than September 30, 2017, and~~  
14 ~~each September 30 thereafter, the department shall notify each~~  
15 ~~applicant of the amount of tax refund approved by the~~  
16 ~~department.~~

17 ~~Section [2914 D] 2923 D. Limitations.~~

18 ~~(a) Total. The total amount of State tax refunds approved~~  
19 ~~by the department under this article shall not exceed \$7,000,000~~  
20 ~~in any fiscal year.~~

21 ~~(b) Allocation. If the total amount of tax refunds approved~~  
22 ~~for all applicants exceeds the limitation on the amount of tax~~  
23 ~~refunds in subsection (a) in a fiscal year, the tax refund to be~~  
24 ~~received by each applicant shall be determined as follows:~~

25 ~~(1) Divide:~~

26 ~~(i) the tax refund approved for the applicant; by~~

27 ~~(ii) the total of all tax refunds approved for all~~  
28 ~~applicants.~~

29 ~~(2) Multiply:~~

30 ~~(i) the amount under subsection (a); by~~

1           ~~(ii) the quotient under paragraph (1).~~

2           ~~(3) The algebraic form of the calculation under this~~  
3           ~~subsection is:~~

4           ~~Taxpayer's tax refund = amount allocated for those~~  
5           ~~tax refunds X (tax refund approved for the~~  
6           ~~applicant/total of all tax refunds approved for all~~  
7           ~~applicants).~~

8           ~~Section 13. Article XXIX D of the act is amended by adding a~~  
9           ~~section to read:~~

10          ~~Section 2924 D. Applicability.~~

11          ~~Notwithstanding any other provision of this article, the~~  
12          ~~department may not issue a tax refund under this subarticle for~~  
13          ~~the tax imposed upon the sale at retail or use of computer data~~  
14          ~~center equipment purchased after December 31, 2021.~~

15          ~~Section 14. Article XXIX D of the act is amended by adding a~~  
16          ~~subarticle to read:~~

17    ~~SUBARTICLE C~~

18    ~~SALES AND USE TAX EXEMPTION PROGRAM~~

19          ~~Section 2931 D. Sales and use tax exemption.~~

20          ~~(a) State sales and use tax. Beginning January 1, 2022, the~~  
21          ~~tax imposed under Article II shall not be imposed upon the sale~~  
22          ~~at retail or use of computer data center equipment purchased for~~  
23          ~~installation in a certified computer data center, if purchased~~  
24          ~~by any of the following:~~

25                  ~~(1) An owner or operator of a computer data center~~  
26                  ~~certified under this subarticle.~~

27                  ~~(2) A qualified tenant of a computer data center~~  
28                  ~~certified under this subarticle.~~

29          ~~(b) Local sales and use tax. Beginning January 1, 2022, the~~  
30          ~~tax imposed under Article XXXI B of the act of July 28, 1953~~

1 ~~(P.L.723, No.230), known as the Second Class County Code, the~~  
2 ~~tax imposed under Chapter 6 of the act of June 5, 1991 (P.L.9,~~  
3 ~~No.6), known as the Pennsylvania Intergovernmental Cooperation~~  
4 ~~Authority Act for Cities of the First Class, and the tax imposed~~  
5 ~~under Article II-B, shall not be imposed upon the sale at retail~~  
6 ~~or use of, or the purchase price of, computer data center~~  
7 ~~equipment purchased for installation in a certified computer~~  
8 ~~data center if purchased by any of the following:~~

9 ~~(1) An owner or operator of a computer data center~~  
10 ~~certified under this subarticle.~~

11 ~~(2) A qualified tenant of a computer data center~~  
12 ~~certified under this subarticle.~~

13 ~~(c) Applicability. A tax exemption approved under this~~  
14 ~~subarticle shall apply during the qualification period.~~

15 ~~(d) Exclusions. The following shall not qualify for a tax~~  
16 ~~exemption:~~

17 ~~(1) A telecommunications provider's computer data center~~  
18 ~~that does not have retail or wholesale customers being billed~~  
19 ~~or paying for services and does provide a majority of~~  
20 ~~services for internal use or use by the telecommunications~~  
21 ~~provider's subsidiaries.~~

22 ~~(2) Computer data center equipment used by the certified~~  
23 ~~computer data center for any of the following purposes:~~

24 ~~(i) Generating electricity for resale purposes to a~~  
25 ~~power utility.~~

26 ~~(ii) Generating, providing or selling more than 5%~~  
27 ~~of its electricity outside of the certified computer data~~  
28 ~~center.~~

29 ~~Section 2932 D. Application for certification.~~

30 ~~(a) Application. To be considered for a certification, an~~

~~owner or operator of a computer data center shall submit to the department an application on a form prescribed by the department that includes all of the following:~~

~~(1) The owner's or operator's name, address and telephone number.~~

~~(2) The address of the site where the computer data center is or will be located, including, if applicable, information sufficient to identify the specific portion of a facility comprising the computer data center.~~

~~(3) An affirmation, signed by an authorized executive representing the owner or operator, that the computer data center is expected to satisfy the certification requirements prescribed under section 2935-D.~~

~~(b) Acceptance. The department shall begin accepting applications no later than 30 days after the effective date of this section.~~

~~Section 2933 D. Review of application.~~

~~(a) General rule. Within 60 days after receiving a complete and correct application, the department shall review the application and either issue a written certification that the computer data center qualifies for the certification or provide written reasons for its denial.~~

~~(b) Deemed approval. Failure of the department to approve or deny an application within 60 days after the date the owner or operator of a computer data center submits the application to the department shall constitute certification of the computer data center, and the department shall issue written certification to the owner or operator within 14 days.~~

~~Section 2934 D. Separation of facilities.~~

~~(a) Separate certification. An owner or operator of a~~

1 ~~computer data center may separate a facility into one or more~~  
2 ~~computer data centers, which may each receive a separate~~  
3 ~~certification, if each computer data center individually meets~~  
4 ~~the requirements prescribed in section 2935 D.~~

5 ~~(b) Limitation. A portion of a facility or an article of~~  
6 ~~computer data equipment shall not be deemed to be a part of more~~  
7 ~~than one computer data center for certification under this~~  
8 ~~subarticle.~~

9 ~~(c) Aggregation. An owner or operator may aggregate one or~~  
10 ~~more parcels, buildings or condominiums in a facility into a~~  
11 ~~single computer data center for certification under this~~  
12 ~~subarticle if, in the aggregate, the parcels, buildings and~~  
13 ~~condominiums meet the requirements prescribed in section 2935 D.~~  
14 ~~Section 2935 D. Eligibility requirements.~~

15 ~~(a) General rule. In order to be certified under this~~  
16 ~~subarticle, an owner or operator of a computer data center must~~  
17 ~~meet all of the following requirements:~~

18 ~~(1) On or before the fourth anniversary of~~  
19 ~~certification, the combined investment, in the aggregate, of~~  
20 ~~the owner or operator or qualified tenant of the computer~~  
21 ~~data center must total a minimum of any of the following:~~

22 ~~(i) At least \$75,000,000 of new investment if the~~  
23 ~~computer data center is located in a county with a~~  
24 ~~population of 250,000 or fewer individuals and creates 25~~  
25 ~~new jobs.~~

26 ~~(ii) At least \$100,000,000 of new investment if the~~  
27 ~~computer data center is located in a county with a~~  
28 ~~population of more than 250,000 individuals and creates~~  
29 ~~45 new jobs.~~

30 ~~(2) On or before the fourth anniversary of~~

~~certification, the owner or operator or qualified tenant of a computer data center, in the aggregate, must pay annual compensation of at least \$1,000,000 to employees at the certified computer data center site for each year of the certification after the fourth anniversary of certification.~~

~~(b) Prior applications. A computer data center that has met the eligibility requirements as prescribed under section 2915 D and has, prior to July 1, 2021, been certified under section 2913 D shall be deemed to meet the certification requirements of this section. The certification shall not be revoked, except as provided under section 2917 D, and shall remain in effect for the remainder of the qualification period.~~

~~(c) Limitation. The department may not certify any computer data center under this subarticle after December 31, 2032.~~

~~(d) Definition. As used in this section, the term "new investment" means construction, expansion or build out of data center space at either a new or an existing computer data center on or after January 1, 2022, and the purchase and installation of computer data center equipment, except for items described under paragraph (4) of the definition of "computer data center equipment" in section 2901 D.~~

~~Section 2936 D. Notification.~~

~~(a) Requirements satisfied. On or before the fourth anniversary of the certification of a computer data center, the owner or operator of the computer data center shall notify the department in writing whether the computer data center for which the certification is requested has satisfied the requirements prescribed under section 2935 D.~~

~~(b) Records. Until a computer data center satisfies the requirements prescribed in section 2935 D, the owner or operator~~

~~1 or qualified tenant shall maintain detailed records of all  
2 investments created by the computer data center, including costs  
3 of buildings and computer data center equipment and all tax  
4 exemptions received by the owner or operator or qualified  
5 tenant.~~

~~6 Section 2937 D. Revocation of certification.~~

~~7 (a) Revocation. If the department determines that the  
8 requirements of section 2935 D have not been satisfied, the  
9 department may revoke the certification of a computer data  
10 center.~~

~~11 (b) Appeal. The owner or operator of the computer data  
12 center may appeal the revocation. Appeals filed under this  
13 section shall be governed by Article II.~~

~~14 (c) Recapture. If certification is revoked under this  
15 section, the qualification period of any owner or operator or  
16 qualified tenant of the computer data center shall expire and  
17 the department may recapture from the owner or operator or  
18 qualified tenant all or part of the tax exemption received by  
19 the owner or operator or qualified tenant. The department may  
20 give special consideration or allow a temporary exemption from  
21 recapture of the tax exemption if there is extraordinary  
22 hardship due to factors beyond the control of the owner or  
23 operator or qualified tenant. The department may require the  
24 owner or operator or qualified tenant to file appropriate  
25 amended tax returns in order to reflect any recapture of the tax  
26 exemption.~~

~~27 Section 2938 D. Guidelines.~~

~~28 The department shall publish guidelines and prescribe forms  
29 and procedures as necessary for the purposes of this article.~~

~~30 Section 2939 D. Confidential information.~~

~~1 Proprietary business information contained in the application  
2 form described under section 2932 D and the written notice  
3 described under section 2936 D, as well as information  
4 concerning the identity of a qualified tenant, shall be  
5 confidential and may not be disclosed to the public. The  
6 department may disclose the name of a computer data center that  
7 has been certified under this subarticle.~~

~~8 Section 2940 D. List of tenants.~~

~~9 An owner or operator of a certified computer data center  
10 shall provide, to the extent permissible under Federal law, the  
11 department with a list of qualified tenants, including the  
12 commencement and expiration dates of each qualified tenant's  
13 agreement to use or occupy part of the certified computer data  
14 center. The list shall be provided to the department annually,  
15 upon request by the department.~~

~~16 Section 2941 D. Sale or transfer.~~

~~17 Except as provided under section 2937 D, a computer data  
18 center retains its certification regardless of a transfer, sale  
19 or other disposition, directly or indirectly, of the computer  
20 data center.~~

~~21 Section 2942 D. Exemption certificate.~~

~~22 The owner or operator or qualified tenant of a certified  
23 computer data center shall prepare and deliver a properly  
24 executed exemption certificate to a vendor from which the owner  
25 or operator or qualified tenant purchases exempt computer data  
26 center equipment.~~

~~27 Section 15. This act shall take effect immediately.~~

28 SECTION 1. THE GENERAL ASSEMBLY FINDS AND DECLARES AS  
29 FOLLOWS:

<--

30 (1) AN ERROR APPEARED IN THE PUBLICATION OF SECTION 8 OF



1 THE ACT OF JULY 2, 1986 (P.L.318, NO.77): THE AMENDMENT OF  
2 THE DEFINITION OF "DOCUMENT" IN SECTION 1101-C OF THE ACT OF  
3 MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF  
4 1971, USED THE WORD "DEVICES" INSTEAD OF THE WORD "DEMISES"  
5 AND THE WORD "DEVISE" INSTEAD OF THE WORD "DEMISE."

6 (2) AN ERROR APPEARED IN THE PUBLICATION OF SECTION 11  
7 OF ACT 77 OF 1986: THE ADDITION OF SECTION 1102-C.4 OF THE  
8 TAX REFORM CODE OF 1971, USED THE WORD "DEVISE" INSTEAD OF  
9 THE WORD "DEMISE."

10 (3) AN ERROR APPEARED IN THE PUBLICATION OF SECTION 12  
11 OF ACT 77 OF 1986: THE ADDITION OF SECTION 1103-C(C) OF THE  
12 TAX REFORM CODE OF 1971, USED THE WORD "DEVISE" INSTEAD OF  
13 THE WORD "DEMISE" AND THE WORD "DEVISED" INSTEAD OF THE WORD  
14 "DEMISED."

15 (4) THE PUBLICATION OF THE OFFICIAL LAW, WITHOUT A  
16 FOOTNOTE, DOES NOT MATCH THE ENROLLED BILL NOR COMPORT WITH  
17 THE INTERPRETIVE REGULATION OF THE DEPARTMENT OF REVENUE AT  
18 61 PA. CODE §§ 91.111(A) (RELATING TO IMPOSITION OF TAX ON  
19 DOCUMENTS) AND 91.112(A) (RELATING TO STATEMENT OF VALUE).

20 (5) THE ERRORS ARE CORRECTED BY THE AMENDMENT OF THE  
21 DEFINITION OF "DOCUMENT" IN SECTION 1101-C AND SECTIONS 1102-  
22 C.4 AND 1103-C(C) OF THE TAX REFORM CODE OF 1971.

23 SECTION 2. SECTION 204(67) AND (68) OF THE ACT OF MARCH 4,  
24 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, ARE  
25 AMENDED AND THE SECTION IS AMENDED BY ADDING CLAUSES TO READ:

26 SECTION 204. EXCLUSIONS FROM TAX.--THE TAX IMPOSED BY  
27 SECTION 202 SHALL NOT BE IMPOSED UPON ANY OF THE FOLLOWING:

28 \* \* \*

29 (67) THE SALE AT RETAIL OR USE OF REPAIR OR REPLACEMENT  
30 PARTS OR SOFTWARE OR SOFTWARE UPGRADES, INCLUDING THE

1 INSTALLATION OF THOSE PARTS, SOFTWARE OR SOFTWARE UPGRADES,  
2 EXCLUSIVELY FOR USE IN HELICOPTERS AND SIMILAR ROTORCRAFT AND  
3 FLIGHT SIMULATORS OR IN OVERHAULING OR REBUILDING OF HELICOPTERS  
4 AND SIMILAR ROTORCRAFT AND FLIGHT SIMULATORS OR HELICOPTERS AND  
5 SIMILAR ROTORCRAFT AND FLIGHT SIMULATOR COMPONENTS. FOR THE  
6 PURPOSES OF THIS CLAUSE, THE TERM "FLIGHT SIMULATOR" SHALL MEAN  
7 A DEVICE USED FOR THE TRAINING OR INSTRUCTION OF AN INDIVIDUAL  
8 ON A HELICOPTER AND SIMILAR ROTORCRAFT.

9 (68) THE SALE AT RETAIL OR USE OR LEASE OF HELICOPTERS AND  
10 SIMILAR ROTORCRAFT[.], AND FLIGHT SIMULATORS, AS WELL AS  
11 TRAINING MATERIALS, OPERATIONAL DOCUMENTS AND PUBLICATIONS  
12 RELATING TO THE USE OR OPERATION OF HELICOPTERS AND SIMILAR  
13 ROTORCRAFT AND FLIGHT SIMULATORS. FOR THE PURPOSES OF THIS  
14 CLAUSE, THE TERM "FLIGHT SIMULATOR" SHALL MEAN A DEVICE USED FOR  
15 THE TRAINING OR INSTRUCTION OF AN INDIVIDUAL ON A HELICOPTER AND  
16 SIMILAR ROTORCRAFT.

17 \* \* \*

18 (74) THE SALE AT RETAIL OR USE OF A MULTIPURPOSE  
19 AGRICULTURAL VEHICLE OPERATED FOR THE BENEFIT OF OR PURSUANT TO  
20 THE OPERATION OF A FARM OWNED OR OPERATED BY THE OWNER OF THE  
21 VEHICLE OR A BUSINESS WHOSE ENTERPRISES AND ACTIVITIES ARE  
22 CONSIDERED PART OF FARMING. FOR THE PURPOSES OF THIS CLAUSE, THE  
23 FOLLOWING TERMS OR PHRASES SHALL HAVE THE FOLLOWING MEANINGS:

24 "MULTIPURPOSE AGRICULTURAL VEHICLE" SHALL MEAN A MOTOR  
25 VEHICLE EXEMPT FROM REGISTRATION IN ACCORDANCE WITH 75 PA.C.S. §  
26 1302(17) (RELATING TO VEHICLES EXEMPT FROM REGISTRATION) WHICH  
27 IS 66 INCHES OR LESS IN WIDTH AND 2,000 POUNDS OR LESS IN DRY  
28 WEIGHT AND WHICH IS USED EXCLUSIVELY FOR AGRICULTURAL OPERATIONS  
29 AND ONLY INCIDENTALLY OPERATED OR MOVED UPON THE HIGHWAYS.

30 "USE OF A MULTIPURPOSE AGRICULTURAL VEHICLE IN FARMING" SHALL

1 MEAN REPAIRING AND MAINTAINING BUILDINGS, INCLUDING HOUSES,  
2 GARAGES, BARNs, STABLES, GREENHOUSES, MUSHROOM HOUSES AND  
3 STOREHOUSES, FENCES AND STANCHIONS PERMANENTLY AFFIXED TO REAL  
4 ESTATE, AS WELL AS TRANSPORTING FARMING PERSONNEL, COLLECTING,  
5 CONVEYING OR TRANSPORTING PROPERTY TO BE USED IN FARMING AND  
6 TRANSPORTING OR CONVEYING THE FARM PRODUCT AFTER THE FINAL  
7 FARMING OPERATION, WHICH INCLUDES, BUT DOES NOT EXTEND BEYOND,  
8 THE OPERATION OF PACKAGING FOR THE ULTIMATE CONSUMER AND  
9 STORAGE.

10 (75) THE SALE AT RETAIL OR USE OF TANGIBLE PERSONAL PROPERTY  
11 MANUFACTURED FOR THE PURPOSE OF INITIATING, SUPPORTING OR  
12 SUSTAINING BREAST FEEDING.

13 SECTION 3. SECTION 303 OF THE ACT IS AMENDED BY ADDING A  
14 SUBSECTION TO READ:

15 SECTION 303. CLASSES OF INCOME.--\* \* \*

16 (A.10) THE PROVISIONS OF SECTION 451(F) OF THE INTERNAL  
17 REVENUE CODE OF 1986, AS AMENDED, SHALL BE APPLICABLE.

18 SECTION 3.1. SECTIONS 316.2(A), 317.1 AND 317.2 OF THE ACT  
19 ARE AMENDED TO READ:

20 SECTION 316.2. WITHHOLDING TAX REQUIREMENT FOR NONEMPLOYER  
21 PAYORS.--(A) TO THE EXTENT NOT ALREADY REQUIRED TO WITHHOLD TAX  
22 ON PAYMENTS UNDER SECTION 316.1, A PERSON THAT:

23 (1) MAKES PAYMENTS OF INCOME FROM SOURCES WITHIN THIS  
24 COMMONWEALTH DESCRIBED IN SECTION 303(A) (1) OR (2) TO EITHER A  
25 NONRESIDENT INDIVIDUAL OR AN ENTITY THAT IS DISREGARDED UNDER  
26 SECTION 307.21 THAT HAS A NONRESIDENT MEMBER; AND

27 (2) IS REQUIRED UNDER SECTION 335(F) (1) TO FILE A COPY OF  
28 FORM 1099-MISC OR 1099-NEC WITH THE DEPARTMENT REGARDING THE  
29 PAYMENTS;

30 SHALL DEDUCT AND WITHHOLD FROM THE PAYMENTS AN AMOUNT EQUAL TO

1 THE NET AMOUNT OF THE PAYMENTS MULTIPLIED BY THE TAX RATE  
2 SPECIFIED UNDER SECTION 302(B) .

3 \* \* \*

4 SECTION 317.1. INFORMATION STATEMENT FOR NONEMPLOYER  
5 PAYORS.--EVERY PAYOR REQUIRED TO DEDUCT AND WITHHOLD TAX UNDER  
6 SECTION 316.2 SHALL FURNISH TO A PAYEE TO WHOM THE PAYOR HAS  
7 PAID INCOME FROM SOURCES WITHIN THIS COMMONWEALTH DURING THE  
8 CALENDAR YEAR A COPY OF FORM 1099-MISC OR 1099-NEC REQUIRED  
9 UNDER SECTION 335(F)(1) . THE COPY OF FORM 1099-MISC OR 1099-NEC  
10 REQUIRED BY THIS SECTION FOR EACH CALENDAR YEAR SHALL BE  
11 FORWARDED TO THE PAYEE ON OR BEFORE MARCH 1 OF THE YEAR  
12 SUCCEEDING THE CALENDAR YEAR.

13 SECTION 317.2. INFORMATION STATEMENT FOR PAYEES.--EVERY  
14 PAYEE RECEIVING A COPY OF FORM 1099-MISC OR 1099-NEC FROM A  
15 PAYOR UNDER SECTION 317.1 SHALL FILE A DUPLICATE OF SUCH  
16 INFORMATION RETURN WITH THE PAYEE'S STATE INCOME TAX RETURN.

17 SECTION 3.2. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

18 SECTION 332.1. ELECTRONIC PAYMENT.--ANY PAYMENT IN THE  
19 AMOUNT OF FIFTEEN THOUSAND DOLLARS (\$15,000) OR MORE REMITTED TO  
20 THE DEPARTMENT FOR THE TAX IMPOSED UNDER THIS ARTICLE SHALL BE  
21 REMITTED ELECTRONICALLY AS PRESCRIBED BY THE DEPARTMENT. THIS  
22 SECTION SHALL NOT APPLY TO EMPLOYER WITHHOLDING PAYMENTS UNDER  
23 PART VII OF THIS ARTICLE AND SECTION 9 OF THE ACT OF APRIL 9,  
24 1929 (P.L.343, NO.176), KNOWN AS "THE FISCAL CODE."

25 SECTION 4. SECTION 335(F)(1) AND (2) OF THE ACT ARE AMENDED  
26 TO READ:

27 SECTION 335. REQUIREMENTS CONCERNING RETURNS, NOTICES,  
28 RECORDS AND STATEMENTS.--\* \* \*

29 (F) THE FOLLOWING APPLY:

30 (1) ANY PERSON WHO:

1 (I) MAKES PAYMENTS OF PENNSYLVANIA SOURCE INCOME THAT FALL  
2 WITHIN ANY OF THE EIGHT CLASSES OF INCOME ENUMERATED IN SECTION  
3 303(A);

4 (II) MAKES SUCH PAYMENTS TO AN INDIVIDUAL, AN ENTITY TREATED  
5 AS A PARTNERSHIP FOR TAX PURPOSES OR A SINGLE MEMBER LIMITED  
6 LIABILITY COMPANY; AND

7 (III) IS REQUIRED TO MAKE A FORM 1099-MISC OR 1099-NEC  
8 RETURN TO THE SECRETARY OF THE TREASURY OF THE UNITED STATES  
9 WITH RESPECT TO SUCH PAYMENTS, SHALL FILE A COPY OF SUCH FORM  
10 1099-MISC OR 1099-NEC WITH THE DEPARTMENT [AND SEND A COPY OF  
11 SUCH FORM 1099-MISC TO THE PAYEE BY MARCH 1 OF EACH YEAR OR, IF  
12 FILED ELECTRONICALLY, BY MARCH 31 OF EACH YEAR] ON THE DUE DATE  
13 OF THE FORM 1099-MISC OR 1099-NEC. IF THE FORM 1099-MISC OR  
14 1099-NEC FILED BY A PAYOR WITH THE SECRETARY OF THE TREASURY OF  
15 THE UNITED STATES [IS NOT COMPLETED IN SUCH A MANNER THAT] DOES  
16 NOT INCLUDE THE STATE INCOME AND STATE TAX WITHHELD  
17 [INFORMATION, CURRENTLY BOXES 16 THROUGH 18 ON FEDERAL FORM  
18 1099-MISC, IS REFLECTED THEREON] AS REQUIRED UNDER SECTION  
19 316.2, THE PAYOR SHALL UPDATE THE COPIES OF FORM 1099-MISC OR  
20 1099-NEC TO BE PROVIDED PURSUANT TO THIS SECTION TO REFLECT SUCH  
21 INFORMATION PRIOR TO FILING IT WITH THE DEPARTMENT AND SENDING  
22 IT TO THE PAYEE.

23 (2) IF THE PAYOR IS REQUIRED TO PERFORM ELECTRONIC FILING  
24 FOR PENNSYLVANIA EMPLOYER WITHHOLDING PURPOSES, THE FORM 1099-  
25 MISC OR 1099-NEC SHALL BE FILED ELECTRONICALLY WITH THE  
26 DEPARTMENT.

27 \* \* \*

28 SECTION 5. SECTION 352(F)(4) AND (5) OF THE ACT ARE AMENDED  
29 AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

30 SECTION 352. ADDITIONS, PENALTIES AND FEES.--\* \* \*

1 (F) \* \* \*

2 (4) ANY PERSON REQUIRED TO FILE A COPY OF FORM 1099-MISC OR  
3 1099-NEC WITH THE DEPARTMENT UNDER THE PROVISIONS OF SECTION  
4 335(F) WHO WILFULLY FURNISHES A FALSE OR FRAUDULENT FORM OR WHO  
5 WILFULLY FAILS TO FILE THE FORM IN THE MANNER, AT THE TIME AND  
6 SHOWING THE INFORMATION REQUIRED UNDER SECTION 335(F) SHALL, FOR  
7 EACH SUCH FAILURE, BE SUBJECT TO A PENALTY OF FIFTY DOLLARS  
8 (\$50).

9 (5) ANY PERSON REQUIRED UNDER THE PROVISIONS OF SECTION  
10 335(F) TO FURNISH A COPY OF FORM 1099-MISC OR 1099-NEC TO A  
11 PAYEE WHO WILFULLY FURNISHES A FALSE OR FRAUDULENT FORM OR WHO  
12 WILFULLY FAILS TO FURNISH A FORM IN THE MANNER, AT THE TIME AND  
13 SHOWING THE INFORMATION REQUIRED BY SECTION 335(F) SHALL, FOR  
14 EACH SUCH FAILURE, BE SUBJECT TO A PENALTY OF FIFTY DOLLARS  
15 (\$50).

16 \* \* \*

17 (K) IF A TAX PAYMENT IS MADE AND THE PAYMENT DOES NOT COMPLY  
18 WITH SECTION 332.1 WHEN REQUIRED, THE TAXPAYER THAT IS LIABLE  
19 FOR THE TAX SHALL, IN ADDITION TO ANY OTHER PENALTY, INTEREST OR  
20 ADDITION PROVIDED BY LAW, BE LIABLE FOR A PENALTY OF THREE PER  
21 CENT OF THE PAYMENT REMITTED NOT TO EXCEED FIVE HUNDRED DOLLARS  
22 (\$500).

23 SECTION 6. SECTION 407.6(A)(5) OF THE ACT IS AMENDED TO  
24 READ:

25 SECTION 407.6. DEFINITIONS.--(A) FOR THE PURPOSES OF THIS  
26 PART ONLY, THE FOLLOWING WORDS, TERMS AND PHRASES SHALL HAVE THE  
27 MEANING ASCRIBED TO THEM IN THIS SUBSECTION, EXCEPT WHERE THE  
28 CONTEXT CLEARLY INDICATES A DIFFERENT MEANING:

29 \* \* \*

30 (5) "QUALIFIED MANUFACTURING INNOVATION AND REINVESTMENT

1 DEDUCTION." AN ALLOWABLE DEDUCTION AS DETERMINED, CALCULATED  
2 AND EXECUTED IN A COMMITMENT LETTER BETWEEN THE DEPARTMENT AND  
3 THE TAXPAYER. THE DEDUCTION SHALL BE APPLIED TO THE TAXABLE  
4 INCOME OF THE TAXPAYER TO REDUCE A QUALIFIED TAX LIABILITY OF  
5 THE TAXPAYER FOLLOWING THE ALLOCATION AND APPORTIONMENT OF THE  
6 INCOME OF THE TAXPAYER.

7 \* \* \*

8 SECTION 7. THE DEFINITION OF "RECEIPTS" IN SECTION 701.5 OF  
9 THE ACT IS AMENDED TO READ:

10 SECTION 701.5. DEFINITIONS.--THE FOLLOWING WORDS, TERMS AND  
11 PHRASES WHEN USED IN THIS ARTICLE SHALL HAVE THE MEANING  
12 ASCRIBED TO THEM IN THIS SECTION, EXCEPT WHERE THE CONTEXT  
13 CLEARLY INDICATES A DIFFERENT MEANING:

14 \* \* \*

15 "RECEIPTS." THE TOTAL OF ALL ITEMS OF INCOME REPORTED ON THE  
16 INCOME STATEMENT OF THE INSTITUTION'S REPORTS OF CONDITION AT  
17 THE END OF THE PRECEDING CALENDAR YEAR. IF THERE IS A  
18 COMBINATION OF TWO OR MORE INSTITUTIONS INTO ONE, THE TOTAL OF  
19 ALL ITEMS OF INCOME THAT WOULD BE REPORTED ON THE INCOME  
20 STATEMENTS OF THE REPORTS OF CONDITION OF THE CONSTITUENT  
21 INSTITUTIONS SHALL BE COMBINED AS IF A SINGLE INSTITUTION HAD  
22 BEEN IN EXISTENCE FOR THE YEAR. FOR PURPOSES OF THIS DEFINITION,  
23 A COMBINATION SHALL INCLUDE ANY ACQUISITION REQUIRED TO BE  
24 ACCOUNTED FOR BY USING THE PURCHASE METHOD IN ACCORDANCE WITH  
25 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES OR A STATUTORY MERGER  
26 OR CONSOLIDATION. IF THE INSTITUTION DOES NOT FILE QUARTERLY  
27 REPORTS OF CONDITION, THE TERM SHALL INCLUDE ALL ITEMS OF INCOME  
28 INCLUDED ON AN INCOME STATEMENT DETERMINED IN ACCORDANCE WITH  
29 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FOR THE PRECEDING  
30 CALENDAR YEAR.

1 \* \* \*

2 SECTION 8. THE DEFINITION OF "DOCUMENT" IN SECTION 1101-C OF  
3 THE ACT IS AMENDED TO READ:

4 SECTION 1101-C. DEFINITIONS.--THE FOLLOWING WORDS WHEN USED  
5 IN THIS ARTICLE SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN THIS  
6 SECTION:

7 \* \* \*

8 "DOCUMENT." ANY DEED, INSTRUMENT OR WRITING WHICH CONVEYS,  
9 TRANSFERS, [DEVISES] DEMISES, VESTS, CONFIRMS OR EVIDENCES ANY  
10 TRANSFER OR [DEVISE] DEMISE OF TITLE TO REAL ESTATE IN THIS  
11 COMMONWEALTH, BUT DOES NOT INCLUDE WILLS, MORTGAGES, DEEDS OF  
12 TRUST OR OTHER INSTRUMENTS OF LIKE CHARACTER GIVEN AS SECURITY  
13 FOR A DEBT AND DEEDS OF RELEASE THEREOF TO THE DEBTOR, LAND  
14 CONTRACTS WHEREBY THE LEGAL TITLE DOES NOT PASS TO THE GRANTEE  
15 UNTIL THE TOTAL CONSIDERATION SPECIFIED IN THE CONTRACT HAS BEEN  
16 PAID OR ANY CANCELLATION THEREOF UNLESS THE CONSIDERATION IS  
17 PAYABLE OVER A PERIOD OF TIME EXCEEDING THIRTY YEARS OR  
18 INSTRUMENTS WHICH SOLELY GRANT, VEST OR CONFIRM A PUBLIC UTILITY  
19 EASEMENT. "DOCUMENT" SHALL ALSO INCLUDE A DECLARATION OF  
20 ACQUISITION REQUIRED TO BE PRESENTED FOR RECORDING UNDER SECTION  
21 1102-C.5 OF THIS ARTICLE.

22 \* \* \*

23 SECTION 9. SECTIONS 1102-C.4 AND 1103-C(C) OF THE ACT ARE  
24 AMENDED TO READ:

25 SECTION 1102-C.4. DOCUMENTS RELATING TO ASSOCIATIONS OR  
26 CORPORATIONS AND MEMBERS, PARTNERS, STOCKHOLDERS OR SHAREHOLDERS  
27 THEREOF.--EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 1102-C.3 AND  
28 1102-C.5, DOCUMENTS WHICH MAKE, CONFIRM OR EVIDENCE ANY TRANSFER  
29 OR [DEVISE] DEMISE OF TITLE TO REAL ESTATE BETWEEN ASSOCIATIONS  
30 OR CORPORATIONS AND THE MEMBERS, PARTNERS, SHAREHOLDERS OR



1 STOCKHOLDERS THEREOF ARE FULLY TAXABLE. FOR THE PURPOSES OF THIS  
2 ARTICLE, CORPORATIONS AND ASSOCIATIONS ARE ENTITIES SEPARATE  
3 FROM THEIR MEMBERS, PARTNERS, STOCKHOLDERS OR SHAREHOLDERS.

4 SECTION 1103-C. CREDITS AGAINST TAX.--\* \* \*

5 (C) WHERE THERE IS A TRANSFER OF REAL ESTATE WHICH IS  
6 [DEVISED] DEMISED BY THE GRANTOR, A CREDIT FOR THE AMOUNT OF TAX  
7 PAID AT THE TIME OF THE [DEVISE] DEMISE SHALL BE GIVEN THE  
8 GRANTOR TOWARD THE TAX DUE UPON THE TRANSFER.

9 \* \* \*

10 SECTION 10. THE HEADING OF ARTICLE XVII-A.1 OF THE ACT IS  
11 AMENDED TO READ:

12 ARTICLE XVII-A.1

13 TAX CREDIT [ELIGIBILITY] AND TAX BENEFIT ADMINISTRATION

14 SECTION 11. THE DEFINITION OF "TAX CREDIT" IN SECTION 1701-  
15 A.1 OF THE ACT IS AMENDED AND THE SECTION IS AMENDED BY ADDING  
16 DEFINITIONS TO READ:

17 SECTION 1701-A.1. DEFINITIONS.

18 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE  
19 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
20 CONTEXT CLEARLY INDICATES OTHERWISE:

21 "ADMINISTERING AGENCY." A DEPARTMENT, BOARD OR COMMISSION  
22 THAT ADMINISTERS A TAX CREDIT OR TAX BENEFIT AS REQUIRED BY A  
23 LAW OF THIS COMMONWEALTH. THE TERM DOES NOT INCLUDE A KEYSTONE  
24 INNOVATION ZONE COORDINATOR UNDER ARTICLE XIX-F.

25 "APPLICANT." A PERSON APPLYING TO AN ADMINISTERING AGENCY  
26 FOR A TAX CREDIT OR A TAX BENEFIT.

27 "APPLICATION." AN APPLICATION SUBMITTED TO AN ADMINISTERING  
28 AGENCY BY AN APPLICANT FOR A TAX CREDIT OR TAX BENEFIT. THE TERM  
29 INCLUDES A TRANSFER APPLICATION AND SUPPLEMENTAL DOCUMENTATION  
30 REQUIRED TO BE PROVIDED BY AN APPLICANT, INCLUDING REPORTS,

1 RETURNS AND STATEMENTS.

2 "BROKER." A PERSON THAT ENGAGES IN THE BUSINESS OF  
3 EFFECTUATING TRANSACTIONS IN TAX CREDITS FOR THE ACCOUNT OF  
4 OTHERS, INCLUDING ASSISTING A TAXPAYER TO APPLY FOR, SELL,  
5 TRANSFER, ASSIGN OR PURCHASE A TAX CREDIT. THE TERM INCLUDES AN  
6 ENTITY AND ALL OF THE FOLLOWING THAT PERFORM SIMILAR FUNCTIONS  
7 FOR THE ENTITY:

8 (1) A PARTNER, OFFICER OR DIRECTOR OF THE ENTITY.

9 (2) AN AFFILIATE OF THE ENTITY.

10 (3) ANY OTHER PERSON OCCUPYING A SIMILAR STATUS OF THE  
11 ENTITY.

12 \* \* \*

13 "PERSON." ANY INDIVIDUAL, EMPLOYER, ASSOCIATION, FIDUCIARY,  
14 PARTNERSHIP, CORPORATION, ENTITY, ESTATE OR TRUST, WHETHER A  
15 RESIDENT OR NONRESIDENT OF THIS COMMONWEALTH.

16 "PROGRAM YEAR." THE ANNUAL PERIOD IN WHICH THE TAX CREDIT OR  
17 TAX BENEFIT OPERATES.

18 "RECIPIENT." A PERSON THAT IS SOLD, ASSIGNED OR TRANSFERRED  
19 A TRANSFERRABLE TAX CREDIT.

20 "TAX BENEFIT." FOR PURPOSES OF THIS ARTICLE, A TAX BENEFIT  
21 AUTHORIZED UNDER ANY OF THE FOLLOWING:

22 (1) ARTICLE XVII-A.

23 (2) ARTICLE XVIII-C.

24 (3) ARTICLE XIX-B.

25 (4) ARTICLE XIX-D.

26 (5) ARTICLE XXIX-C.

27 (6) ARTICLE XXIX-D.

28 (7) THE ACT OF OCTOBER 6, 1998 (P.L.705, NO.92), KNOWN  
29 AS THE KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY  
30 EXPANSION ZONE AND KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT.

1 "TAX CREDIT." A TAX CREDIT AUTHORIZED UNDER ANY OF THE  
2 FOLLOWING:

3 (1) ARTICLE XVII-B.

4 (2) ARTICLE XVII-D.

5 (3) ARTICLE XVII-E.

6 (4) ARTICLE XVII-G.

7 (5) ARTICLE XVII-H.

8 (6) ARTICLE XVII-I.

9 (7) ARTICLE XVII-J.

10 (8) ARTICLE XVII-K.

11 (8.1) ARTICLE XVII-L.

12 (9) ARTICLE XVIII.

13 (10) ARTICLE XVIII-B.

14 (11) ARTICLE XVIII-D.

15 (12) ARTICLE XVIII-E.

16 (13) ARTICLE XVIII-F.

17 (14) ARTICLE XVIII-G.

18 (14.1) ARTICLE XVIII-H.

19 (15) ARTICLE XIX-A.

20 (15.1) ARTICLE XIX-C.

21 (16) ARTICLE XIX-E.

22 (16.1) ARTICLE XIX-F.

23 (17) SECTION 2010.

24 [(18) ARTICLE XXIX-D.]

25 (19) ARTICLE XX-B OF THE ACT OF MARCH 10, 1949 (P.L.30,  
26 NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949.

27 (20) THE ACT OF DECEMBER 1, 2004 (P.L.1750, NO.226),  
28 KNOWN AS THE FIRST CLASS CITIES ECONOMIC DEVELOPMENT DISTRICT  
29 ACT.

30 (21) 12 PA.C.S. CH. 34 (RELATING TO INFRASTRUCTURE AND

1 FACILITIES IMPROVEMENT PROGRAM).

2 (22) ANY OTHER PROGRAM ESTABLISHED BY A LAW OF THIS  
3 COMMONWEALTH IN WHICH A PERSON APPLIES FOR AND RECEIVES A  
4 CREDIT AGAINST A TAX. THIS PARAGRAPH SHALL NOT APPLY TO A  
5 CREDIT AGAINST A TAX LIABILITY AS A RESULT OF AN OVERPAYMENT.

6 "TAXPAYER." A PERSON THAT WAS APPROVED FOR A TAX CREDIT OR  
7 TAX BENEFIT OR THAT RECEIVED A TRANSFERRABLE TAX CREDIT BY SALE,  
8 ASSIGNMENT OR TRANSFER.

9 "TRANSFER APPLICATION." AN APPLICATION SUBMITTED TO THE  
10 DEPARTMENT OR THE ADMINISTERING AGENCY BY AN APPLICANT OR A  
11 RECIPIENT AS PART OF THE SALE, ASSIGNMENT OR TRANSFER OF A  
12 TRANSFERRABLE TAX CREDIT TO A RECIPIENT.

13 "TRANSFERRABLE TAX CREDIT." A TAX CREDIT WHICH MAY BE SOLD,  
14 ASSIGNED OR TRANSFERRED FROM AN APPLICANT TO A DIFFERENT  
15 TAXPAYER. THE TERM INCLUDES A TAX CREDIT WHICH MAY BE  
16 TRANSFERRED TO A SHAREHOLDER, MEMBER OR PARTNER OF AN APPLICANT.

17 SECTION 12. SECTION 1702-A.1 OF THE ACT IS AMENDED TO READ:  
18 SECTION 1702-A.1. [ELIGIBILITY.] DETERMINATION OF ELIGIBILITY  
19 AND METHOD OF SUBMISSION.

20 (A) TAX REPORTS AND RETURNS.--EXCEPT AS OTHERWISE PROVIDED  
21 BY LAW, BEFORE A TAX CREDIT [CAN] OR TAX BENEFIT MAY BE AWARDED,  
22 THE DEPARTMENT [MAY] OR ADMINISTERING AGENCY, AS APPLICABLE,  
23 SHALL MAKE A FINDING THAT [THE TAXPAYER] AN APPLICANT OR A  
24 RECIPIENT HAS FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS  
25 FOR ALL APPLICABLE TAXABLE YEARS AND PAID ANY BALANCE OF STATE  
26 TAX DUE AS DETERMINED AT SETTLEMENT OR ASSESSMENT BY THE  
27 DEPARTMENT, UNLESS THE TAX DUE IS [CURRENTLY] UNDER APPEAL AT  
28 THE TIME THE FINDING WAS MADE BY THE DEPARTMENT OR ADMINISTERING  
29 AGENCY.

30 (B) [(RESERVED).] NOTIFICATION.--FOR A TAX CREDIT AUTHORIZED

1 UNDER ARTICLE XX-B OF THE ACT OF MARCH 10, 1949 (P.L.30, NO.14),  
2 KNOWN AS THE PUBLIC SCHOOL CODE OF 1949, THE DEPARTMENT SHALL  
3 NOTIFY THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF  
4 ANY FINDING REQUIRED UNDER SUBSECTION (A) WITHIN 30 DAYS OF THE  
5 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT RECEIVING A  
6 COMPLETED APPLICATION.

7 (C) ELECTRONIC APPLICATIONS.--THE DEPARTMENT OR  
8 ADMINISTERING AGENCY, AS APPLICABLE, MAY REQUIRE AN APPLICATION  
9 FOR A TAX CREDIT OR TAX BENEFIT TO BE FILED ELECTRONICALLY.

10 SECTION 13. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:  
11 SECTION 1703-A.1. APPLICATION AND ADMINISTRATION.

12 (A) INSUFFICIENT APPLICATION.--IF AN ADMINISTERING AGENCY  
13 FINDS THAT AN APPLICATION IS INSUFFICIENT FOR THE ADMINISTERING  
14 AGENCY TO DETERMINE WHETHER THE APPLICANT IS ELIGIBLE TO RECEIVE  
15 A TAX CREDIT OR TAX BENEFIT, THE DEPARTMENT, IN CONSULTATION  
16 WITH THE ADMINISTERING AGENCY, MAY DO ALL OF THE FOLLOWING FOR  
17 APPLICANTS OTHER THAN INDIVIDUALS WHO OWN LESS THAN 20% OF THE  
18 APPLICANT:

19 (1) REQUIRE THE SUBMISSION OF ADDITIONAL DOCUMENTATION  
20 OR VERIFICATION WHICH VERIFIES MATERIAL IN THE APPLICATION.  
21 ADDITIONAL DOCUMENTATION OR VERIFICATION REQUIRED UNDER THIS  
22 PARAGRAPH MAY INCLUDE ANY OF THE FOLLOWING:

23 (I) A COPY OF THE PHOTO IDENTIFICATION OF THE  
24 APPLICANT'S OR RECIPIENT'S CHIEF EXECUTIVE OFFICER AND  
25 ANY AUTHORIZED REPRESENTATIVE RESPONSIBLE FOR SUBMITTING  
26 THE APPLICATION. A COPY OF PHOTO IDENTIFICATION UNDER  
27 THIS SUBPARAGRAPH SHALL INCLUDE THE INDIVIDUAL'S NAME AND  
28 ADDRESS.

29 (II) BANK ACCOUNT STATEMENTS RELATING TO THE  
30 BUSINESS.

1           (III) BUSINESS RECORDS, INCLUDING RECEIPTS AND  
2           EXPENDITURES.

3           (IV) BUSINESS ORIGINATION DOCUMENTS, INCLUDING  
4           ARTICLES OF INCORPORATION, PARTNERSHIP OR REFERENCE TO  
5           DOCUMENTS UNDER THIS SUBPARAGRAPH IN RECORDS OF THE  
6           DEPARTMENT OF STATE OR SIMILAR ENTITY IN ANOTHER  
7           JURISDICTION.

8           (V) ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT  
9           OR ADMINISTERING AGENCY TO DETERMINE THAT THE APPLICANT  
10           IS ELIGIBLE TO RECEIVE A TAX CREDIT OR TAX BENEFIT WITH  
11           THE APPLICATION.

12           (2) FOR AN APPLICANT THAT IS NOT AN INDIVIDUAL, REQUIRE  
13           THAT THE APPLICANT OR BROKER MEET FOR A VIRTUAL OR IN-PERSON  
14           INTERVIEW WITH REPRESENTATIVES OR AGENTS OF THE DEPARTMENT OR  
15           THE ADMINISTERING AGENCY TO VERIFY THE CONTENTS OF THE  
16           APPLICATION.

17           (3) FOR AN APPLICANT THAT IS NOT AN INDIVIDUAL, REQUIRE  
18           THE APPLICANT OR BROKER TO AGREE TO SUBMIT TO SCHEDULED OR  
19           UNSCHEDULED SITE INSPECTIONS BY THE DEPARTMENT, THE  
20           ADMINISTERING AGENCY OR REPRESENTATIVES OR AGENTS OF THE  
21           DEPARTMENT OR ADMINISTERING AGENCY. IF THE SITE IS LOCATED IN  
22           AN AREA WHERE UNSCHEDULED SITE VISITS ARE NOT FEASIBLE, THE  
23           DEPARTMENT OR ADMINISTERING AGENCY SHALL PROVIDE SUFFICIENT  
24           NOTICE PRIOR TO THE VISIT. THE DEPARTMENT SHALL ESTABLISH A  
25           POLICY TO ENSURE THE CONFIDENTIALITY OF INFORMATION COLLECTED  
26           OR OBSERVED DURING A SITE INSPECTION. THE POLICY SHALL  
27           INCLUDE A PROHIBITION ON THE TAKING OF PHOTOS, VIDEO AND  
28           AUDIO RECORDINGS WHICH ARE NOT RELATED TO THE SUBJECTS  
29           REGULATED BY THE DEPARTMENT.

30           (B) RISK CRITERIA.--THE DEPARTMENT AND AN ADMINISTERING

1 AGENCY MAY JOINTLY DEVELOP RISK SCORING CRITERIA TO DETERMINE  
2 WHEN AN APPLICANT OTHER THAN AN INDIVIDUAL WHO OWNS LESS THAN  
3 20% OF THE APPLICANT MAY BE REQUIRED TO DO ANY OF THE FOLLOWING:

4 (1) AS A CONDITION OF APPROVAL OF THE APPLICATION, ONE  
5 OF THE FOLLOWING:

6 (I) IF THE AMOUNT OF THE TAX CREDIT OR TAX BENEFIT  
7 IS EQUAL TO OR EXCEEDS \$100,000, HIRE AN INDEPENDENT  
8 AUDITOR TO PREPARE AUDITED FINANCIAL STATEMENTS. THE  
9 INDEPENDENT AUDITOR UNDER THIS SUBPARAGRAPH SHALL BE A  
10 CERTIFIED PUBLIC ACCOUNTANT.

11 (II) IF THE AMOUNT OF THE TAX CREDIT OR TAX BENEFIT  
12 IS LESS THAN \$100,000, PROVIDE AN AGREED-UPON PROCEDURE  
13 REPORT OR A CERTIFICATION-OF-COSTS REPORT PREPARED BY AN  
14 INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT.

15 (2) PROVIDE INFORMATION WHICH SHALL BE INCLUDED IN THE  
16 AUDITED FINANCIAL STATEMENTS UNDER PARAGRAPH (1) (I) OR  
17 AGREED-UPON PROCEDURE REPORT OR CERTIFICATION-OF-COSTS REPORT  
18 UNDER PARAGRAPH (1) (II) TO BE SUBMITTED TO THE DEPARTMENT.

19 (3) REQUIRE THE AUDITED FINANCIAL STATEMENTS UNDER  
20 PARAGRAPH (1) (I) OR AGREED-UPON PROCEDURE REPORT OR  
21 CERTIFICATION-OF-COSTS REPORT UNDER PARAGRAPH (1) (II) BE  
22 SUBMITTED TO THE DEPARTMENT.

23 (C) REPORTS.--AFTER APPROVAL AND UNTIL A TAX CREDIT OR TAX  
24 BENEFIT IS FULLY USED, AN APPLICANT THAT IS APPROVED FOR A TAX  
25 CREDIT OR TAX BENEFIT SHALL FILE AN ANNUAL REPORT WITH THE  
26 DEPARTMENT OR ADMINISTERING AGENCY DETAILING ALL OF THE  
27 FOLLOWING, TO THE EXTENT THAT THE FOLLOWING IS APPLICABLE TO THE  
28 TAX CREDIT OR TAX BENEFIT:

29 (1) FOR A TRANSFERRABLE TAX CREDIT, ALL OF THE  
30 FOLLOWING:

1           (I) WHETHER THE APPLICANT USED, SOLD, ASSIGNED OR  
2           TRANSFERRED A PORTION OR ALL OF THE TAX CREDIT IN THE  
3           PRIOR PROGRAM YEAR.

4           (II) WHETHER THE TAX CREDIT WAS SOLD, ASSIGNED OR  
5           TRANSFERRED FOR CONSIDERATION IN THE PRIOR PROGRAM YEAR  
6           AND THE NAME OF THE RECIPIENT.

7           (III) IF THE TAX CREDIT WAS SOLD, ASSIGNED OR  
8           TRANSFERRED FOR CONSIDERATION, THE AMOUNT OF THE  
9           CONSIDERATION.

10          (IV) IF THE TAX CREDIT WAS SOLD, ASSIGNED OR  
11          TRANSFERRED FOR CONSIDERATION, WHETHER THE SALE,  
12          ASSIGNMENT OR TRANSFER WAS CONDUCTED WITH THE ASSISTANCE  
13          OF A BROKER AND THE NAME AND REGISTRATION NUMBER OF THE  
14          BROKER.

15          (2) IF APPLICABLE, AN ITEMIZATION OF EXPENSES AND JOBS  
16          GENERATED AS A RESULT OF THE RECEIPT OF THE TAX CREDIT OR TAX  
17          BENEFIT.

18          (3) ANY OTHER INFORMATION THAT THE DEPARTMENT OR  
19          ADMINISTERING AGENCY DEEMS NECESSARY.

20          (D) SUBMISSION OF DATA.--THE DEPARTMENT OR ADMINISTERING  
21          AGENCY SHALL PROVIDE THE INFORMATION SUBMITTED UNDER SUBSECTION  
22          (C) (2) TO THE INDEPENDENT FISCAL OFFICE FOR USE IN PREPARING A  
23          TAX CREDIT REPORT UNDER SECTION 5 OF THE ACT OF OCTOBER 30, 2017  
24          (P.L.797, NO.48), KNOWN AS THE PERFORMANCE-BASED BUDGETING AND  
25          TAX CREDIT EFFICIENCY ACT.  
26          SECTION 1704-A.1. ASSESSMENT.

27          (A) GENERAL RULE.--THE DEPARTMENT MAY ISSUE AN ASSESSMENT  
28          AGAINST A TAXPAYER IF THE DEPARTMENT DETERMINES THAT A TAX  
29          CREDIT OR TAX BENEFIT WAS IMPROPERLY ISSUED OR THE BENEFITS OF  
30          THE TAX CREDIT OR TAX BENEFIT WERE IMPROPERLY CONFERRED.



1 (B) TRANSFERRED TAX CREDIT ASSESSMENT.--IF A TAX CREDIT IS  
2 SOLD, TRANSFERRED OR ASSIGNED TO A BONA FIDE PURCHASER FOR  
3 CONSIDERATION, THE DEPARTMENT MAY ISSUE AN ASSESSMENT AUTHORIZED  
4 BY SUBSECTION (A) AGAINST THE APPLICANT AND THE BROKER WHICH  
5 SIGNED THE CERTIFICATION REQUIRED BY SECTION 1706-A.1(G). AN  
6 APPLICANT AND BROKER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR  
7 AN ASSESSMENT UNDER THIS SUBSECTION.

8 (C) LIABILITY RESTRICTIONS.--A BROKER SHALL NOT BE HELD  
9 JOINTLY AND SEVERALLY LIABLE FOR THE AMOUNT DUE WHEN THE BROKER  
10 IS PURCHASING OR SELLING A TAX CREDIT OR TAX BENEFIT IN WHICH  
11 THE BROKER DID NOT SIGN THE CERTIFICATION REQUIRED UNDER SECTION  
12 1706-A.1(G) FOR THE INITIAL TAX CREDIT OR TAX BENEFIT  
13 APPLICATION. A BROKER UNDER THIS SUBSECTION SHALL BE LIABLE ONLY  
14 FOR THE FINANCIAL AMOUNT REPORTED TO THE DEPARTMENT ON THE  
15 PROGRAM TRANSFER APPLICATION.

16 (D) AMOUNT.--AN ASSESSMENT AUTHORIZED BY SUBSECTION (A)  
17 SHALL NOT EXCEED THE FACE VALUE OF THE TAX CREDIT OR TAX BENEFIT  
18 OR THE BENEFITS OF THE TAX CREDIT OR TAX BENEFIT SOLD,  
19 TRANSFERRED, ASSIGNED OR OTHERWISE IMPROPERLY CONFERRED AND  
20 APPLICABLE INTEREST.

21 (E) PROCEDURES.--THE PROCEDURES, COLLECTION, ENFORCEMENT AND  
22 APPEALS OF AN ASSESSMENT MADE UNDER SUBSECTION (A) OR (B) SHALL  
23 BE SUBJECT TO PART X OF ARTICLE III, EXCEPT THAT THE LIMITATIONS  
24 ON ASSESSMENT AND COLLECTION UNDER SECTION 348 SHALL NOT APPLY.

25 (F) LIMITATIONS.--

26 (1) EXCEPT AS PROVIDED UNDER PARAGRAPH (2), THE  
27 DEPARTMENT MUST ISSUE AN ASSESSMENT UNDER SUBSECTIONS (A) OR  
28 (B) WITHIN THREE YEARS OF THE DATE THE TAX CREDIT OR TAX  
29 BENEFIT IS AWARDED OR WITHIN THREE YEARS OF THE DATE THE TAX  
30 CREDIT IS SOLD, TRANSFERRED OR ASSIGNED, WHICHEVER IS LATER.

1           (2) IF A TAXPAYER OBTAINS A TAX CREDIT OR TAX BENEFIT BY  
2 FRAUD, THE DEPARTMENT MAY ISSUE AN ASSESSMENT UNDER  
3 SUBSECTION (A) OR (B) AT ANY TIME.

4           (3) IF A BROKER IS DETERMINED TO HAVE ACTED IN GOOD  
5 FAITH AND WAS NOT NEGLIGENT IN DUTIES REGARDING THE  
6 INFORMATION PROVIDED TO THE BROKER BY THE TAXPAYER, THE  
7 DEPARTMENT MAY NOT MAKE AN ASSESSMENT AGAINST THE BROKER.

8 SECTION 1705-A.1. ADMINISTERING AGENCY TRAINING.

9           (A) TRAINING.--AN ADMINISTERING AGENCY SHALL PROVIDE AGENCY  
10 EMPLOYEES, REPRESENTATIVES AND AGENTS OF THE ADMINISTERING  
11 AGENCY THAT ASSIST APPLICANTS WITH APPLICATIONS WITH TRAINING ON  
12 ALL OF THE FOLLOWING:

13           (1) THE REQUIREMENTS FOR A TAX CREDIT OR TAX BENEFIT.

14           (2) ADVISING AN APPLICANT THAT HAS BEEN ISSUED A TAX  
15 CREDIT OR TAX BENEFIT OF THE DUTY OF THE APPLICANT TO FILE  
16 REPORTS CONCERNING USE OF THE TAX CREDIT OR TAX BENEFIT AS  
17 REQUIRED BY THE LAWS OF THIS COMMONWEALTH.

18           (3) CONDUCTING SITE INSPECTIONS TO VERIFY COMPLIANCE  
19 WITH THE REQUIREMENTS RELATING TO APPLICATION FOR AND  
20 ISSUANCE OF A TAX CREDIT OR TAX BENEFIT.

21           (4) CONDUCTING SCHEDULED AND UNSCHEDULED VISITS TO THE  
22 SITE OF A TAXPAYER TO ENSURE COMPLIANCE WITH THE REQUIREMENTS  
23 OF THE TAX CREDIT OR TAX BENEFIT.

24           (B) (RESERVED).

25 SECTION 1706-A.1. BROKER REGISTRATION.

26           (A) REGISTRATION REQUIRED.--A PERSON THAT ACTS AS A BROKER  
27 SHALL REGISTER WITH THE DEPARTMENT UNDER THIS SECTION. AN AGENT  
28 OR OTHER PARTY REPRESENTING A BROKER OR ASSISTING A BROKER ON  
29 BEHALF OF AN APPLICANT, INCLUDING A PERSON THAT EXECUTES AN  
30 APPLICATION FOR AN APPLICANT, OR THE SALE, ASSIGNMENT OR

1 TRANSFER OF A TRANSFERRABLE TAX CREDIT SHALL REGISTER UNDER THIS  
2 SECTION.

3 (B) GUIDELINES.--THE DEPARTMENT, IN CONSULTATION WITH THE  
4 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, SHALL  
5 ESTABLISH GUIDELINES PROVIDING FOR THE APPLICATION AND  
6 REGISTRATION OF A BROKER UNDER THIS SECTION. THE GUIDELINES  
7 SHALL REQUIRE ALL OF THE FOLLOWING:

8 (1) THE NAME AND ADDRESS OF THE BROKER.

9 (2) THE NAME AND ADDRESS OF THE BUSINESS WITH WHICH THE  
10 BROKER IS EMPLOYED OR OTHERWISE ASSOCIATED THAT IS LOCATED  
11 AND MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH.

12 (3) THAT THE BROKER BE AT LEAST 18 YEARS OF AGE.

13 (4) THE MINIMUM EDUCATIONAL REQUIREMENTS, QUALIFICATIONS  
14 AND EXPERIENCE NECESSARY FOR THE ISSUANCE OF A REGISTRATION  
15 UNDER THIS SECTION.

16 (5) A CRIMINAL BACKGROUND CHECK PREPARED BY THE  
17 PENNSYLVANIA STATE POLICE THAT DEMONSTRATES THE BROKER HAS  
18 NOT BEEN CONVICTED OF A FELONY OFFENSE OR AN OFFENSE THAT  
19 INVOLVED FRAUD OR MISREPRESENTATION IN THIS COMMONWEALTH OR  
20 ANY OTHER JURISDICTION.

21 (6) A LIST OF EACH PROFESSIONAL LICENSE THAT HAS BEEN  
22 ISSUED TO THE BROKER AND WHETHER THE BROKER IS IN GOOD  
23 STANDING WITH THE LICENSING AUTHORITY.

24 (7) VERIFICATION THAT THE APPLICATION IS SUBMITTED IN  
25 ACCORDANCE WITH 18 PA.C.S. §§ 4903 (RELATING TO FALSE  
26 SWEARING) AND 4904 (RELATING TO UNSWORN FALSIFICATION TO  
27 AUTHORITIES).

28 (8) PAYMENT OF ANY REQUIRED APPLICATION, LICENSING AND  
29 REGISTRATION FEES.

30 (9) TAX CLEARANCE SHOWING SATISFACTION OF ALL STATE AND

1       LOCAL TAXES.

2       (C) APPLICATIONS.--A BROKER SHALL OBTAIN AN INITIAL OR  
3 RENEWED REGISTRATION BY FILING AN APPLICATION WITH THE  
4 DEPARTMENT, PROVIDING THE RENEWAL INFORMATION AND DOCUMENTATION  
5 AND PAYING ALL FEES AS REQUIRED BY THE DEPARTMENT.

6       (D) DURATION OF REGISTRATION.--A REGISTRATION UNDER THIS  
7 SECTION SHALL BE VALID FOR A PERIOD OF TWO YEARS FROM THE DATE  
8 OF ISSUANCE.

9       (E) REGISTRATION NUMBER.--A REGISTRATION UNDER THIS SECTION  
10 SHALL INCLUDE A UNIQUE REGISTRATION NUMBER FOR THE BROKER. A  
11 REGISTRATION UNDER THIS SECTION MAY BE SUSPENDED OR REVOKED BY  
12 THE DEPARTMENT FOR GOOD CAUSE.

13       (F) APPEALS.--A BROKER WHO IS DENIED A REGISTRATION UNDER  
14 THIS SECTION, OR WHOSE REGISTRATION IS SUSPENDED OR REVOKED, MAY  
15 APPEAL THE DEPARTMENT'S DETERMINATION IN THE SAME MANNER AS  
16 PROVIDED BY ARTICLE XXVII.

17       (G) ATTACHMENT OF CERTIFICATION.--A BROKER EXECUTING THE  
18 SALE OF A TRANSFERRABLE TAX CREDIT OR ASSISTING AN APPLICANT OR  
19 A TAXPAYER TO APPLY FOR OR PURCHASE A TAX CREDIT SHALL DO ALL OF  
20 THE FOLLOWING:

21           (1) ATTACH A CERTIFICATION TO THE APPLICATION THAT THE  
22 STATEMENTS AND REPRESENTATIONS MADE IN THE APPLICATION ARE  
23 TRUE AND CORRECT AND SUBJECT TO THE PENALTIES AS SET FORTH IN  
24 18 PA.C.S. § 4903 OR 4904.

25           (2) INCLUDE THE BROKER'S UNIQUE REGISTRATION NUMBER  
26 ISSUED BY THE DEPARTMENT IN THE CERTIFICATION UNDER THIS  
27 SUBSECTION.

28       (H) FEES.--THE DEPARTMENT MAY REQUIRE THE PAYMENT OF AN  
29 APPLICATION FEE TO REVIEW AND PROCESS A REGISTRATION UNDER THIS  
30 SUBSECTION.

1 (I) PENALTIES.--A PERSON WHO VIOLATES THE REQUIREMENTS  
2 SPECIFIED UNDER THIS SECTION SHALL PAY A CIVIL FINE OF UP TO  
3 \$25,000 FOR THE FIRST OFFENSE AND UP TO \$50,000 FOR EACH  
4 ADDITIONAL OFFENSE TO THE DEPARTMENT.

5 (J) BOND REQUIRED.--A BROKER REGISTERED UNDER THIS SECTION  
6 SHALL POST A BOND OF \$50,000 WITH THE DEPARTMENT.  
7 SECTION 1707-A.1. TAX CREDIT AND TAX BENEFIT REPORTS.

8 (A) REPORTS.--NOTWITHSTANDING ANY LAW PROVIDING FOR THE  
9 CONFIDENTIALITY OF TAX CREDITS, BEGINNING WITH THE FIRST PROGRAM  
10 YEAR WHICH BEGINS AFTER THE EFFECTIVE DATE OF THIS SECTION AND  
11 EACH PROGRAM YEAR THEREAFTER, THE ADMINISTERING AGENCY SHALL  
12 PUBLISH A REPORT FOR EACH TAX CREDIT OR TAX BENEFIT, WHICH SHALL  
13 INCLUDE THE FOLLOWING INFORMATION:

14 (1) THE NAME OF EACH APPLICANT THAT RECEIVED A TAX  
15 CREDIT OR TAX BENEFIT IN THE PRIOR PROGRAM YEAR.

16 (2) FOR A TAX CREDIT, THE AMOUNT OF TAX CREDIT AWARDED  
17 TO EACH APPLICANT.

18 (3) FOR A TRANSFERRABLE TAX CREDIT, WHETHER AN APPLICANT  
19 UNDER PARAGRAPH (1) SOLD, ASSIGNED OR TRANSFERRED A  
20 TRANSFERRABLE TAX CREDIT IN THE PRIOR PROGRAM YEAR.

21 (4) IF APPLICABLE, A SUMMARY OF THE DATA SUBMITTED UNDER  
22 SECTION 1703-A.1(C)(2).

23 (5) IF AVAILABLE TO THE ADMINISTERING AGENCY, ALL OF THE  
24 FOLLOWING RELATING TO A TRANSFERRABLE TAX CREDIT:

25 (I) THE NAME OF THE RECIPIENT TO WHICH THE  
26 TRANSFERRABLE TAX CREDIT UNDER PARAGRAPH (3) WAS SOLD,  
27 ASSIGNED OR TRANSFERRED IN THE PRIOR PROGRAM YEAR. THE  
28 NAME OF AN INDIVIDUAL RECEIVING A TRANSFERRABLE TAX  
29 CREDIT WITHOUT CONSIDERATION FROM A PASS-THROUGH ENTITY  
30 IN WHICH THE INDIVIDUAL IS A SHAREHOLDER, MEMBER OR

1 PARTNER SHALL NOT BE PUBLISHED.

2 (II) THE AMOUNT OF THE TRANSFERRABLE TAX CREDIT  
3 UNDER PARAGRAPH (3) THAT WAS SOLD, ASSIGNED OR  
4 TRANSFERRED.

5 (III) THE PRICE FOR WHICH A TAX CREDIT UNDER  
6 PARAGRAPH (2) WAS SOLD, ASSIGNED OR TRANSFERRED.

7 (B) PUBLICATION.--

8 (1) EXCEPT AS PROVIDED UNDER PARAGRAPH (2), AN  
9 ADMINISTERING AGENCY SHALL PUBLISH A REPORT ON EACH TAX  
10 CREDIT OR TAX BENEFIT UNDER SUBSECTION (A) ON THE  
11 ADMINISTERING AGENCY'S PUBLICLY AVAILABLE INTERNET WEBSITE NO  
12 LATER THAN 45 DAYS AFTER THE END OF A PROGRAM YEAR.

13 (2) IF AN ADMINISTERING AGENCY IS REQUIRED BY A LAW OF  
14 THIS COMMONWEALTH TO PREPARE AN ANNUAL REPORT ON THE TAX  
15 CREDIT OR TAX BENEFIT, THE INFORMATION UNDER SUBSECTION (A)  
16 SHALL BE INCLUDED IN THE ANNUAL REPORT REQUIRED BY THE LAW OF  
17 THIS COMMONWEALTH.

18 SECTION 1708-A.1. ALLOCATION OF TAX CREDITS OR TAX BENEFITS  
19 AWARDED UPON APPEAL.

20 (A) APPEAL.--IF AN ADMINISTERING AGENCY DENIES AN  
21 APPLICANT'S APPLICATION FOR A TAX CREDIT OR TAX BENEFIT PROGRAM,  
22 THE APPLICANT MAY APPEAL THE ADMINISTERING AGENCY'S  
23 DETERMINATION IN THE SAME MANNER AS PROVIDED BY ARTICLE XXVII.

24 (B) AWARDING OF TAX CREDIT OR TAX BENEFIT UPON APPEAL.--THE  
25 FOLLOWING SHALL APPLY TO AN ALLOCATION OF TAX CREDITS AWARDED  
26 UPON THE FINAL RESOLUTION OF AN APPEAL:

27 (1) IF AN APPLICANT IS AWARDED A TAX CREDIT WHICH IS  
28 SUBJECT TO A TOTAL ANNUAL LIMITATION, UPON THE FINAL  
29 RESOLUTION OF AN APPEAL AFTER THE FULL ALLOCATION OF CREDITS  
30 AVAILABLE FOR A FISCAL YEAR IS COMPLETELY EXPENDED, THE

1 ADMINISTERING AGENCY SHALL INCLUDE THE AWARDED TAX CREDIT  
2 WITHIN THE DISTRIBUTION OF TAX CREDITS IN THE NEXT PROGRAM  
3 YEAR AFTER THE RESOLUTION OF THE APPEAL FOR WHICH AN AMOUNT  
4 FOR ALLOCATION IS AVAILABLE.

5 (2) WHEN AWARDING A TAX CREDIT TO AN APPLICANT UNDER  
6 PARAGRAPH (1), THE ADMINISTERING AGENCY SHALL APPLY ANY  
7 REDUCTION IN THE AWARDED TAX CREDIT AMOUNT AS WAS APPLIED IN  
8 THE PROGRAM YEAR FOR WHICH THE CREDIT WAS DENIED IF THE  
9 REDUCTION WAS APPLIED DUE TO THE TOTAL CREDITS APPLIED FOR  
10 EXCEEDING THE AMOUNT OF CREDITS ALLOCATED FOR THE PROGRAM  
11 YEAR.

12 (3) WHEN AWARDING A TAX CREDIT TO AN APPLICANT UNDER  
13 PARAGRAPH (1), THE ADMINISTERING AGENCY SHALL REDUCE THE  
14 TOTAL AMOUNT OF CREDITS AVAILABLE FOR ALLOCATION IN THE NEXT  
15 PROGRAM YEAR BY THE AMOUNT OF CREDITS AWARDED.

16 (4) THE AWARDED TAX CREDITS UNDER PARAGRAPH (1) SHALL  
17 APPLY FOR THE PROGRAM YEAR IN WHICH THE CREDIT WAS DENIED.

18 (C) APPEAL.--IF THE DEPARTMENT OF COMMUNITY AND ECONOMIC  
19 DEVELOPMENT DENIES AN APPLICANT'S APPLICATION FOR A TAX CREDIT  
20 OR TAX BENEFIT PROGRAM, THE APPLICANT MAY APPEAL IN A MANNER  
21 ESTABLISHED BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC  
22 DEVELOPMENT.

23 (D) DEFINITION.--AS USED IN THIS SECTION, THE TERM  
24 "ADMINISTERING AGENCY" DOES NOT INCLUDE THE DEPARTMENT OF  
25 COMMUNITY AND ECONOMIC DEVELOPMENT.

26 SECTION 1709-A.1. GUIDELINES.

27 THE DEPARTMENT SHALL ESTABLISH GUIDELINES FOR THE  
28 IMPLEMENTATION OF THIS ARTICLE.

29 SECTION 14. SECTIONS 1703-B(A) AND (C), 1704-B(A) AND (B)  
30 AND 1711-B OF THE ACT ARE AMENDED TO READ:

1 SECTION 1703-B. CREDIT FOR RESEARCH AND DEVELOPMENT  
2 EXPENSES.-- (A) A TAXPAYER WHO INCURS PENNSYLVANIA QUALIFIED  
3 RESEARCH AND DEVELOPMENT EXPENSE IN A TAXABLE YEAR MAY APPLY FOR  
4 A RESEARCH AND DEVELOPMENT TAX CREDIT AS PROVIDED IN THIS  
5 ARTICLE. BY [SEPTEMBER 15] DECEMBER 1, A TAXPAYER MUST SUBMIT AN  
6 APPLICATION TO THE DEPARTMENT FOR PENNSYLVANIA QUALIFIED  
7 RESEARCH AND DEVELOPMENT EXPENSE INCURRED IN THE TAXABLE YEAR  
8 THAT ENDED IN THE PRIOR CALENDAR YEAR.

9 \* \* \*

10 (C) BY [DECEMBER 15 OF THE ] MAY 1 OF THE SECOND CALENDAR  
11 YEAR FOLLOWING THE CLOSE OF THE TAXABLE YEAR DURING WHICH THE  
12 PENNSYLVANIA QUALIFIED RESEARCH AND DEVELOPMENT EXPENSE WAS  
13 INCURRED, THE DEPARTMENT SHALL NOTIFY THE TAXPAYER OF THE AMOUNT  
14 OF THE TAXPAYER'S RESEARCH AND DEVELOPMENT TAX CREDIT APPROVED  
15 BY THE DEPARTMENT.

16 SECTION 1704-B. CARRYOVER, CARRYBACK, REFUND AND ASSIGNMENT  
17 OF CREDIT.-- (A) IF THE TAXPAYER CANNOT USE THE ENTIRE AMOUNT OF  
18 THE RESEARCH AND DEVELOPMENT TAX CREDIT FOR THE FIRST TAXABLE  
19 YEAR IN WHICH THE TAXPAYER APPLIED FOR A RESEARCH AND  
20 DEVELOPMENT TAX CREDIT [IS FIRST APPROVED], THEN THE EXCESS MAY  
21 BE CARRIED OVER TO SUCCEEDING TAXABLE YEARS AND USED AS A CREDIT  
22 AGAINST THE QUALIFIED TAX LIABILITY OF THE TAXPAYER FOR THOSE  
23 TAXABLE YEARS. EACH TIME THAT THE RESEARCH AND DEVELOPMENT TAX  
24 CREDIT IS CARRIED OVER TO A SUCCEEDING TAXABLE YEAR, IT IS TO BE  
25 REDUCED BY THE AMOUNT THAT WAS USED AS A CREDIT DURING THE  
26 IMMEDIATELY PRECEDING TAXABLE YEAR. THE RESEARCH AND DEVELOPMENT  
27 TAX CREDIT PROVIDED BY THIS ARTICLE MAY BE CARRIED OVER AND  
28 APPLIED TO SUCCEEDING TAXABLE YEARS FOR NO MORE THAN FIFTEEN  
29 TAXABLE YEARS FOLLOWING THE FIRST TAXABLE YEAR FOR WHICH THE  
30 TAXPAYER WAS ENTITLED TO CLAIM THE CREDIT.



1 (B) A RESEARCH AND DEVELOPMENT TAX CREDIT APPROVED BY THE  
2 DEPARTMENT FOR PENNSYLVANIA QUALIFIED RESEARCH AND DEVELOPMENT  
3 EXPENSE IN A TAXABLE YEAR FIRST SHALL BE APPLIED AGAINST THE  
4 TAXPAYER'S QUALIFIED TAX LIABILITY FOR THE CURRENT TAXABLE YEAR  
5 AS OF THE DATE ON WHICH THE [CREDIT WAS APPROVED] TAXPAYER  
6 APPLIED FOR THE CREDIT BEFORE THE RESEARCH AND DEVELOPMENT TAX  
7 CREDIT IS APPLIED AGAINST ANY TAX LIABILITY UNDER SUBSECTION  
8 (A) .

9 \* \* \*

10 SECTION 1711-B. REPORT TO GENERAL ASSEMBLY.--THE SECRETARY  
11 SHALL SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY INDICATING  
12 THE EFFECTIVENESS OF THE CREDIT PROVIDED BY THIS ARTICLE NO  
13 LATER THAN [MARCH 15 FOLLOWING THE] OCTOBER 1 FOLLOWING THE  
14 CALENDAR YEAR IN WHICH THE CREDITS WERE APPROVED. THE REPORT  
15 SHALL INCLUDE THE NAMES OF ALL TAXPAYERS UTILIZING THE CREDIT AS  
16 OF THE DATE OF THE REPORT AND THE AMOUNT OF CREDITS APPROVED AND  
17 UTILIZED BY EACH TAXPAYER. NOTWITHSTANDING ANY LAW PROVIDING FOR  
18 THE CONFIDENTIALITY OF TAX RECORDS, THE INFORMATION CONTAINED IN  
19 THE REPORT SHALL BE PUBLIC INFORMATION. THE REPORT MAY ALSO  
20 INCLUDE ANY RECOMMENDATIONS FOR CHANGES IN THE CALCULATION OR  
21 ADMINISTRATION OF THE CREDIT.

22 SECTION 15. SECTION 1711-D OF THE ACT IS AMENDED BY ADDING A  
23 DEFINITION TO READ:

24 SECTION 1711-D. DEFINITIONS.

25 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE  
26 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
27 CONTEXT CLEARLY INDICATES OTHERWISE:

28 \* \* \*

29 "MULTIFILM." A SERIES OF SEPARATE AND DISTINCT FILMS  
30 PRODUCED BY THE SAME TAXPAYER OVER A PERIOD OF NO LESS THAN ONE

1 YEAR AND NO MORE THAN FOUR YEARS FROM THE TIME OF APPLICATION.

2 \* \* \*

3 SECTION 16. SECTIONS 1712-D(B) AND 1716.1-D(A) OF THE ACT  
4 ARE AMENDED BY ADDING PARAGRAPHS TO READ:

5 SECTION 1712-D. CREDIT FOR QUALIFIED FILM PRODUCTION  
6 EXPENSES.

7 \* \* \*

8 (B) REVIEW AND APPROVAL.--THE DEPARTMENT SHALL ESTABLISH  
9 APPLICATION PERIODS NOT TO EXCEED 90 DAYS EACH. ALL APPLICATIONS  
10 RECEIVED DURING THE APPLICATION PERIOD SHALL BE REVIEWED AND  
11 EVALUATED BY THE DEPARTMENT BASED ON THE FOLLOWING CRITERIA:

12 \* \* \*

13 (7.1) IF A MULTIFILM APPLICATION IS SUBMITTED, THE  
14 DEPARTMENT SHALL CONSIDER THE ABILITY OF THE TAXPAYER TO  
15 PRODUCE MULTIPLE FILMS WITHIN THIS COMMONWEALTH DURING THE  
16 PROPOSED PERIOD OF PRODUCTION AND THE POTENTIAL ECONOMIC  
17 IMPACT, INCLUDING TOURISM IMPACT, OF THE MULTIPLE FILMS TO  
18 THIS COMMONWEALTH.

19 \* \* \*

20 SECTION 1716.1-D. REISSUANCE OF FILM PRODUCTION TAX CREDITS.

21 (A) REISSUANCE.--IN ANY FISCAL YEAR, THE DEPARTMENT MAY  
22 REISSUE A TAX CREDIT WHICH MEETS ALL OF THE FOLLOWING:

23 \* \* \*

24 (4) IF AN INDIVIDUAL FILM THAT WAS ISSUED A TAX CREDIT  
25 AS PART OF A MULTIFILM APPLICATION IS CANCELED, THE  
26 DEPARTMENT MAY REISSUE THAT TAX CREDIT ONLY AFTER ALLOWING  
27 THE TAXPAYER 90 DAYS TO SUBMIT AN APPLICATION FOR AN  
28 ALTERNATIVE INDIVIDUAL FILM, PRODUCED BY THE TAXPAYER FOR  
29 THAT TAX CREDIT. THE DEPARTMENT MAY APPROVE OR REJECT THE  
30 APPLICATION.

1 \* \* \*

2 SECTION 17. THE DEFINITIONS OF "CONCERT TOUR EQUIPMENT,"  
3 "RECIPIENT," "TAXPAYER," "TOUR," "TOUR EXPENSE" AND "VENUE" IN  
4 SECTION 1772-D OF THE ACT ARE AMENDED AND THE SECTION IS AMENDED  
5 BY ADDING DEFINITIONS TO READ:

6 SECTION 1772-D. DEFINITIONS.

7 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS SUBARTICLE  
8 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
9 CONTEXT CLEARLY INDICATES OTHERWISE:

10 \* \* \*

11 "CONCERT TOUR EQUIPMENT." INCLUDES STAGE, SET, SCENERY,  
12 DESIGN ELEMENTS, AUTOMATION, RIGGING, TRUSSES, SPOTLIGHTS,  
13 LIGHTING, SOUND EQUIPMENT, VIDEO EQUIPMENT, SPECIAL EFFECTS,  
14 CASES, COMMUNICATION DEVICES, POWER DISTRIBUTION EQUIPMENT,  
15 BACKLINE, PERSONAL PROTECTIVE EQUIPMENT AND OTHER MISCELLANEOUS  
16 EQUIPMENT OR SUPPLIES USED DURING A CONCERT OR REHEARSAL.

17 \* \* \*

18 "PENNSYLVANIA LIVE EVENTS INDUSTRY." A QUALIFIED REHEARSAL  
19 FACILITY, VENDORS OF CONCERT TOUR EQUIPMENT LOCATED AND  
20 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH, VENUES  
21 LOCATED IN THIS COMMONWEALTH AND ANY PROMOTER OF LIVE  
22 PERFORMANCES LOCATED AND MAINTAINING A PLACE OF BUSINESS IN THIS  
23 COMMONWEALTH.

24 \* \* \*

25 "PERSONAL PROTECTIVE EQUIPMENT." INCLUDES EQUIPMENT,  
26 SERVICES AND SUPPLIES NECESSARY TO SCREEN, TEST, SHIELD OR  
27 PROTECT PERFORMERS OR INDIVIDUALS FROM HEALTH PATHOGENS DURING A  
28 REHEARSAL, STREAMING PERFORMANCE OR TOUR. THE TERM INCLUDES  
29 COSTS ASSOCIATED WITH CLEANING AND DISINFECTING QUALIFIED  
30 REHEARSAL FACILITIES AND VENUES USED ON A TOUR AND COSTS

1 ASSOCIATED WITH COMPLYING WITH SAFETY-PROTOCOLS ESTABLISHED TO  
2 COMBAT COVID-19 AND OTHER HEALTH PATHOGENS.

3 \* \* \*

4 "RECIPIENT." A TAXPAYER THAT HAS BEEN AWARDED A TAX CREDIT  
5 UNDER SECTION 1773-D(E) OR 1782-D(E).

6 \* \* \*

7 "STREAMING PERFORMANCE." A LIVE PERFORMANCE WHICH IS  
8 PERFORMED AT A QUALIFIED REHEARSAL FACILITY TO BE REMOTELY  
9 VIEWED BY INDIVIDUALS. THE TERM INCLUDES STREAMING AND  
10 BROADCASTING OF A PERFORMANCE.

11 \* \* \*

12 "TAXPAYER." A MUSICAL PERFORMER OR PERFORMERS OR A CONCERT  
13 TOUR MANAGEMENT COMPANY OF A MUSICAL PERFORMER OR PERFORMERS  
14 SUBJECT TO TAX UNDER ARTICLE III, IV OR VI. THE TERM DOES NOT  
15 INCLUDE CONTRACTORS OR SUBCONTRACTORS OF A MUSICAL PERFORMER OR  
16 PERFORMERS OR OF A CONCERT TOUR MANAGEMENT COMPANY OF A MUSICAL  
17 PERFORMER OR PERFORMERS. FOR FISCAL YEARS BEGINNING JULY 1,  
18 2021, AND ENDING JUNE 30, 2023, THE TERM ALSO INCLUDES A  
19 MANAGEMENT COMPANY OF A PROFESSIONAL SPORTS LEAGUE, A NEWS  
20 BROADCASTING STATION, A PRODUCTION COMPANY, A CREATIVE AGENCY OR  
21 A BROADCASTER, SUBJECT TO TAX UNDER ARTICLE III OR IV.

22 "TOUR." A SERIES OF CONCERTS PERFORMED OR TO BE PERFORMED BY  
23 A MUSICAL PERFORMER IN MORE THAN ONE LOCATION. THE TERM INCLUDES  
24 AT LEAST ONE REHEARSAL. FOR FISCAL YEARS BEGINNING JULY 1, 2021,  
25 AND ENDING JUNE 30, 2023, THE TERM ALSO INCLUDES A STREAMING  
26 PERFORMANCE.

27 "TOUR EXPENSE." AS FOLLOWS:

28 (1) COSTS INCURRED OR WHICH WILL BE INCURRED DURING A  
29 TOUR FOR VENUES LOCATED IN THIS COMMONWEALTH. THE TERM  
30 INCLUDES ALL OF THE FOLLOWING:

1 (I) A PAYMENT WHICH IS MADE OR WILL BE MADE BY A  
2 RECIPIENT TO A PERSON UPON WHICH WITHHOLDING WILL BE MADE  
3 ON THE PAYMENT BY THE RECIPIENT AS REQUIRED UNDER PART  
4 VII OF ARTICLE III OR A PAYMENT WHICH IS MADE OR WILL BE  
5 MADE TO A PERSON WHO IS REQUIRED TO MAKE ESTIMATED  
6 PAYMENTS UNDER PART VIII OF ARTICLE III.

7 (II) THE COST OF TRANSPORTATION OF PEOPLE WHICH IS  
8 INCURRED OR WILL BE INCURRED WHILE TRANSPORTING TO OR  
9 FROM A TRAIN STATION, BUS DEPOT, AIRPORT OR OTHER  
10 TRANSPORTATION FACILITY OR WHILE TRANSPORTING DIRECTLY  
11 FROM A RESIDENCE OR BUSINESS ENTITY LOCATED IN THIS  
12 COMMONWEALTH, OR WHICH IS INCURRED OR WILL BE INCURRED  
13 FOR TRANSPORTATION PROVIDED BY A COMPANY WHICH IS SUBJECT  
14 TO THE TAX IMPOSED UNDER ARTICLE III OR IV.

15 (III) THE COST OF LEASING VEHICLES UPON WHICH THE  
16 TAX IMPOSED BY ARTICLE II WILL BE PAID OR ACCRUED.

17 (V) THE COST OF PURCHASING OR RENTING FACILITIES AND  
18 EQUIPMENT FROM OR THROUGH A RESIDENT OF THIS COMMONWEALTH  
19 OR AN ENTITY SUBJECT TO TAXATION IN THIS COMMONWEALTH.

20 (VI) THE COST OF FOOD AND LODGING WHICH IS INCURRED  
21 OR WILL BE INCURRED FROM A FACILITY LOCATED IN THIS  
22 COMMONWEALTH.

23 (VII) EXPENSES WHICH ARE INCURRED OR WILL BE  
24 INCURRED IN MARKETING OR ADVERTISING A TOUR AT VENUES  
25 LOCATED WITHIN THIS COMMONWEALTH.

26 (VIII) THE COST OF MERCHANDISE WHICH IS PURCHASED OR  
27 WILL BE PURCHASED FROM A COMPANY LOCATED WITHIN THIS  
28 COMMONWEALTH AND USED ON THE TOUR.

29 (IX) A PAYMENT WHICH IS MADE OR WILL BE MADE TO A  
30 PERSONAL SERVICE CORPORATION REPRESENTING INDIVIDUAL

1 TALENT IF THE TAX IMPOSED BY ARTICLE IV WILL BE PAID OR  
2 ACCRUED ON THE NET INCOME OF THE CORPORATION FOR THE  
3 TAXABLE YEAR.

4 (X) A PAYMENT WHICH IS MADE OR WILL BE MADE TO A  
5 PASS-THROUGH ENTITY REPRESENTING INDIVIDUAL TALENT FOR  
6 WHICH WITHHOLDING WILL BE MADE BY THE PASS-THROUGH ENTITY  
7 ON THE PAYMENT AS REQUIRED UNDER PART VII OR VII-A OF  
8 ARTICLE III.

9 (1.1) THE COST OF CONCERT TOUR EQUIPMENT NOT USED DURING  
10 REHEARSAL BUT USED FOR AN ENTIRE TOUR IF THE CONCERT TOUR  
11 EQUIPMENT IS PURCHASED OR WILL BE PURCHASED FROM A COMPANY  
12 MAINTAINING A PLACE OF BUSINESS IN THIS COMMONWEALTH AND  
13 SUBJECT TO THE TAX IMPOSED UNDER ARTICLE III OR IV. THE TERM  
14 INCLUDES THE COST OF PERSONAL PROTECTIVE EQUIPMENT WHICH IS  
15 PURCHASED OR WILL BE PURCHASED FROM A COMPANY LOCATED WITHIN  
16 THIS COMMONWEALTH AND USED ON THE TOUR.

17 (2) THE TERM DOES NOT INCLUDE DEVELOPMENT COST,  
18 INCLUDING THE WRITING OF MUSIC OR LYRICS.

19 "VENUE." A CLASS 1, CLASS 2 OR CLASS 3 VENUE. FOR FISCAL  
20 YEARS BEGINNING JULY 1, 2021, AND ENDING JUNE 30, 2023, THE TERM  
21 ALSO INCLUDES A QUALIFIED REHEARSAL FACILITY WHEN USED FOR A  
22 STREAMING PERFORMANCE.

23 SECTION 18. SECTION 1777-D(A) AND (B) OF THE ACT ARE AMENDED  
24 TO READ:

25 SECTION 1777-D. LIMITATIONS.

26 (A) CAP.--

27 (1) THE AGGREGATE AMOUNT OF TAX CREDITS AWARDED IN A  
28 FISCAL YEAR UNDER THIS SUBARTICLE MAY NOT EXCEED \$8,000,000.

29 (2) IN A FISCAL YEAR, THE DEPARTMENT MAY, IN THE  
30 DEPARTMENT'S DISCRETION, ADVANCE THE AWARD OF TAX CREDITS FOR

1 QUALIFIED REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE  
2 INCURRED EQUAL TO \$2,000,000 OF THE TAX CREDITS AVAILABLE TO  
3 BE AWARDED IN THE SUCCEEDING FISCAL YEAR.

4 (3) IF, IN A FISCAL YEAR, THE MAXIMUM AMOUNT OF CREDITS  
5 AUTHORIZED BY THIS SUBSECTION ARE NOT AWARDED BY THE  
6 DEPARTMENT, THE DEPARTMENT MAY INCREASE THE TOTAL AMOUNT OF  
7 TAX CREDITS THAT THE DEPARTMENT MAY AWARD FOR QUALIFIED  
8 REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE INCURRED  
9 RELATED TO A TOUR IN THE IMMEDIATELY SUCCEEDING FISCAL YEAR  
10 BY THE AMOUNT THAT WAS NOT AWARDED IN THE PRECEDING FISCAL  
11 YEAR.

12 (B) ADVANCE AWARD OF CREDITS.--THE ADVANCE AWARD OF TAX  
13 CREDITS UNDER SUBSECTION [(A)] (A) (2) SHALL:

14 (1) COUNT AGAINST THE TOTAL AMOUNT OF TAX CREDITS THAT  
15 THE DEPARTMENT MAY AWARD FOR QUALIFIED REHEARSAL AND TOUR  
16 EXPENSES INCURRED OR TO BE INCURRED RELATED TO A TOUR IN THAT  
17 NEXT SUCCEEDING FISCAL YEAR; AND

18 (2) REDUCE THE TOTAL AMOUNT OF TAX CREDITS THAT THE  
19 DEPARTMENT MAY AWARD FOR QUALIFIED REHEARSAL AND TOUR  
20 EXPENSES INCURRED OR TO BE INCURRED RELATED TO A TOUR IN THAT  
21 NEXT SUCCEEDING FISCAL YEAR.

22 \* \* \*

23 SECTION 19. THE ACT IS AMENDED BY ADDING A SECTION TO READ:  
24 SECTION 1782-D. PENNSYLVANIA LIVE EVENTS INDUSTRY COVID-19  
25 EMERGENCY ASSISTANCE.

26 (A) INTENT.--IT IS THE INTENT OF THE GENERAL ASSEMBLY TO  
27 ASSIST THE PENNSYLVANIA LIVE EVENTS INDUSTRY WHICH HAS BEEN  
28 SEVERELY IMPACTED BY THE COVID-19 VIRUS BY PROVIDING A TEMPORARY  
29 PROCEDURE TO FURTHER ENCOURAGE LIVE EVENT PERFORMERS TO PURCHASE  
30 PENNSYLVANIA PRODUCTS AND SERVICES WHILE SAFELY ENTERTAINING

1 RESIDENTS OF THIS COMMONWEALTH.

2 (B) APPLICATION.--FOR FISCAL YEARS BEGINNING JULY 1, 2021,  
3 AND ENDING JUNE 30, 2023, AND NOTWITHSTANDING SECTION 1773-D, A  
4 TAXPAYER MAY APPLY TO THE DEPARTMENT FOR A TAX CREDIT RELATED  
5 TO A STREAMING PERFORMANCE UNDER THIS SECTION. THE APPLICATION  
6 SHALL BE ON THE FORM REQUIRED BY THE DEPARTMENT.

7 (C) REVIEW AND APPROVAL.--

8 (1) THE DEPARTMENT SHALL ESTABLISH APPLICATION PERIODS  
9 NOT TO EXCEED 10 DAYS ON A BIMONTHLY BASIS. ALL APPLICATIONS  
10 RECEIVED DURING AN APPLICATION PERIOD SHALL BE REVIEWED AND  
11 EVALUATED BY THE DEPARTMENT BASED ON THE FOLLOWING CRITERIA:

12 (I) THE ANTICIPATED NUMBER OF REHEARSAL DAYS IN A  
13 QUALIFIED REHEARSAL FACILITY.

14 (II) THE ANTICIPATED NUMBER OF STREAMING  
15 PERFORMANCES.

16 (III) THE ANTICIPATED AMOUNT OF PENNSYLVANIA  
17 REHEARSAL AND TOUR EXPENSES.

18 (IV) THE ANTICIPATED AMOUNT OF THE CONCERT TOUR  
19 EQUIPMENT EXPENSES WHICH ARE OR WILL BE PURCHASED OR  
20 RENTED FROM COMPANIES LOCATED AND MAINTAINING A PLACE OF  
21 BUSINESS IN THIS COMMONWEALTH AND WHICH WILL BE USED FOR  
22 THE REHEARSAL AND STREAMING PERFORMANCES.

23 (V) THE ANTICIPATED AMOUNT OF THE CONCERT TOUR  
24 EQUIPMENT EXPENSES WHICH ARE NOT OR WILL NOT BE PURCHASED  
25 OR RENTED FROM COMPANIES LOCATED AND MAINTAINING A PLACE  
26 OF BUSINESS IN THIS COMMONWEALTH AND WHICH WILL BE USED  
27 FOR THE REHEARSAL AND STREAMING PERFORMANCES.

28 (VI) THE ANTICIPATED NUMBER OF DAYS SPENT IN  
29 COMMONWEALTH HOTELS.

30 (VII) OTHER CRITERIA THAT THE DEPARTMENT DEEMS



1 APPROPRIATE TO ENSURE MAXIMUM EMPLOYMENT OPPORTUNITIES  
2 AND ENTERTAINMENT BENEFITS FOR THE RESIDENTS OF THIS  
3 COMMONWEALTH.

4 (2) THE DEPARTMENT MAY APPROVE THE TAXPAYER FOR A TAX  
5 CREDIT UPON DETERMINING ALL OF THE FOLLOWING:

6 (I) THAT THE TAXPAYER HAS PAID THE APPLICABLE  
7 APPLICATION FEE, NOT TO EXCEED \$300.

8 (II) THAT THE TAXPAYER HAS MET OR WILL MEET ALL OF  
9 THE FOLLOWING:

10 (A) HAS OR WILL REHEARSE AT A QUALIFIED  
11 REHEARSAL FACILITY FOR A MINIMUM OF SEVEN DAYS.

12 (B) HAS OR WILL PERFORM AT LEAST ONE STREAMING  
13 PERFORMANCE AT A QUALIFIED REHEARSAL FACILITY.

14 (C) HAS INCURRED OR WILL INCUR PENNSYLVANIA  
15 REHEARSAL AND TOUR EXPENSES IN AN AMOUNT OF AT LEAST  
16 \$300,000 FROM COMPANIES LOCATED AND MAINTAINING A  
17 PLACE OF BUSINESS IN THIS COMMONWEALTH.

18 (D) HAS OR WILL PURCHASE OR RENT CONCERT TOUR  
19 EQUIPMENT TO BE DELIVERED TO A QUALIFIED REHEARSAL  
20 FACILITY IN AN AMOUNT OF AT LEAST \$225,000 FROM  
21 COMPANIES LOCATED AND MAINTAINING A PLACE OF BUSINESS  
22 IN THIS COMMONWEALTH.

23 (E) HAS OR WILL PURCHASE OR RENT AT LEAST 70% OF  
24 THE CONCERT TOUR EQUIPMENT TO BE USED FOR THE  
25 REHEARSAL AND ANY STREAMING PERFORMANCES FROM  
26 COMPANIES LOCATED AND MAINTAINING A PLACE OF BUSINESS  
27 IN THIS COMMONWEALTH.

28 (F) MAINTAINS A PLACE OF BUSINESS IN THIS  
29 COMMONWEALTH OR EMPLOYS A REPRESENTATIVE FOR THE  
30 PERIOD BEGINNING WITH THE START DATE AND ENDING WITH

1           THE AWARD OF TAX CERTIFICATES UNDER THIS SECTION.

2       (D) CONTRACT.--IF THE DEPARTMENT APPROVES THE TAXPAYER'S  
3 APPLICATION UNDER SUBSECTION (C) (2), THE DEPARTMENT AND THE  
4 TAXPAYER SHALL ENTER INTO A CONTRACT CONTAINING THE FOLLOWING:

5           (1) THE START DATE OR THE EXPECTED START DATE.

6           (2) WITH RESPECT TO A CONTRACT ENTERED INTO PRIOR TO  
7 COMPLETION OF A STREAMING PERFORMANCE, A COMMITMENT BY THE  
8 TAXPAYER TO HOLD AT LEAST ONE STREAMING PERFORMANCE AT A  
9 QUALIFIED REHEARSAL FACILITY.

10          (3) WITH RESPECT TO A CONTRACT ENTERED INTO PRIOR TO  
11 COMPLETION OF A STREAMING PERFORMANCE, A COMMITMENT BY THE  
12 TAXPAYER TO INCUR THE PENNSYLVANIA REHEARSAL AND TOUR  
13 EXPENSES AS ITEMIZED.

14          (4) ANY OTHER INFORMATION THE DEPARTMENT DEEMS  
15 APPROPRIATE.

16       (E) CERTIFICATE.--UPON EXECUTION OF THE CONTRACT REQUIRED BY  
17 SUBSECTION (D), THE DEPARTMENT SHALL AWARD THE TAXPAYER A TAX  
18 CREDIT AND ISSUE THE RECIPIENT A TAX CREDIT CERTIFICATE.

19       (F) LIMITATIONS.--

20           (1) A TAXPAYER MAY NOT BE AWARDED MORE THAN 25% OF  
21 PENNSYLVANIA REHEARSAL AND TOUR EXPENSES THE TAXPAYER  
22 INCURRED OR WILL INCUR FOR A TOUR.

23           (2) A TAXPAYER MAY NOT BE AWARDED MORE THAN \$250,000 OF  
24 TAX CREDITS FOR A TOUR.

25       (G) CAP.--ANY AWARD OF TAX CREDITS MADE UNDER THIS SECTION  
26 SHALL COUNT AGAINST AND REDUCE THE TOTAL AMOUNT OF TAX CREDITS  
27 THAT THE DEPARTMENT MAY AWARD UNDER SECTION 1777-D(A) FOR  
28 QUALIFIED REHEARSAL AND TOUR EXPENSES INCURRED OR TO BE INCURRED  
29 RELATED TO A TOUR IN THAT FISCAL YEAR.

30       SECTION 19.1. SECTION 1704-L(D) OF THE ACT, ADDED JULY 23,

1 2020 (P.L.654, NO.66), IS AMENDED TO READ:

2 SECTION 1704-L. APPLICATION AND APPROVAL OF TAX CREDIT.

3 \* \* \*

4 (D) AVAILABILITY OF TAX CREDITS.--

5 (1) EACH FISCAL YEAR, \$26,666,668 IN TAX CREDITS SHALL  
6 BE MADE AVAILABLE TO THE DEPARTMENT IN ACCORDANCE WITH THIS  
7 ARTICLE.

8 (2) NO MORE THAN [FOUR] TWO QUALIFIED TAXPAYERS SHALL  
9 RECEIVE A TAX CREDIT ANNUALLY, FOR A MAXIMUM CREDIT OF  
10 \$6,666,667 EACH.

11 (3) THE DEPARTMENT [ , AT ITS DISCRETION, MAY ] SHALL ISSUE  
12 UNALLOCATED CREDITS TO [A] NO MORE THAN ONE QUALIFIED  
13 TAXPAYER, NOTWITHSTANDING THE MAXIMUM CREDIT LIMIT UNDER  
14 PARAGRAPH (2) [ . ], IF THE QUALIFIED TAXPAYER:

15 (I) HAS MADE A TOTAL CAPITAL INVESTMENT OF AT LEAST  
16 \$1,000,000,000 IN ORDER TO CONSTRUCT THE PROJECT FACILITY  
17 AND PLACE THE PROJECT FACILITY INTO SERVICE IN THIS  
18 COMMONWEALTH;

19 (II) HAS CREATED A MINIMUM AGGREGATE TOTAL OF 1,800  
20 NEW JOBS AND PERMANENT JOBS; AND

21 (III) HAS SATISFIED ALL OTHER ELIGIBILITY  
22 REQUIREMENTS FOR A QUALIFIED TAXPAYER UNDER THIS ARTICLE.

23 (4) FOR PURPOSES OF PARAGRAPH (3), THE TERM "UNALLOCATED  
24 CREDITS" MEANS THE DIFFERENCE BETWEEN TAX CREDITS AUTHORIZED  
25 UNDER PARAGRAPH (1) AND APPROVED UNDER PARAGRAPH (2).

26 SECTION 20. THE ACT IS AMENDED BY ADDING A SECTION TO READ:  
27 SECTION 1913-D. EXTENSION FOR KEYSTONE OPPORTUNITY EXPANSION  
28 ZONE.

29 (A) GENERAL RULE.--THE DEPARTMENT MAY APPROVE AN APPLICATION  
30 TO GRANT AN EXTENSION FOR A PARCEL LOCATED WITHIN A KEYSTONE

1 OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE OR  
2 KEYSTONE OPPORTUNITY IMPROVEMENT ZONE UPON APPLICATION BY A  
3 POLITICAL SUBDIVISION.

4 (B) APPLICATION.--THIS SECTION SHALL APPLY TO A PARCEL  
5 LOCATED WITHIN A KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY  
6 EXPANSION ZONE OR KEYSTONE OPPORTUNITY IMPROVEMENT ZONE THAT  
7 EXPIRES IN 2022, IF THE PARCEL IS LOCATED WITHIN A COUNTY OF THE  
8 THIRD CLASS WITH A POPULATION OF AT LEAST 350,000 BUT LESS THAN  
9 410,000 BASED ON THE 2010 FEDERAL DECENNIAL CENSUS.

10 (C) EXTENSION PERIOD.--AN EXTENSION GRANTED UNDER THIS  
11 SECTION SHALL BE FOR A PERIOD OF FIVE YEARS.

12 SECTION 21. SECTIONS 1921-D(D), 1907-E(A), 1906-F(B) AND (D)  
13 AND 1908-F OF THE ACT ARE AMENDED TO READ:

14 SECTION 1921-D. ADDITIONAL KEYSTONE OPPORTUNITY EXPANSION  
15 ZONES.

16 \* \* \*

17 (D) APPLICATION.--

18 (1) IN ORDER TO RECEIVE A DESIGNATION UNDER THIS  
19 SECTION, THE DEPARTMENT MUST RECEIVE AN APPLICATION FROM A  
20 POLITICAL SUBDIVISION OR ITS DESIGNEE NO LATER THAN OCTOBER  
21 1, [2021] 2022. THE APPLICATION MUST CONTAIN THE INFORMATION  
22 REQUIRED UNDER SECTION 302(A)(1), (2)(I) AND (IX), (5) AND  
23 (6) OF THE KOZ ACT.

24 (2) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT  
25 OF REVENUE, SHALL REVIEW THE APPLICATION AND, IF APPROVED,  
26 ISSUE A CERTIFICATION OF ALL TAX EXEMPTIONS, DEDUCTIONS,  
27 ABATEMENTS OR CREDITS UNDER THIS ACT FOR THE ZONE WITHIN  
28 THREE MONTHS OF RECEIPT OF THE APPLICATION.

29 (3) THE DEPARTMENT SHALL ACT ON AN APPLICATION FOR A  
30 DESIGNATION UNDER SECTION 302(A)(1) OF THE KOZ ACT BY

1 DECEMBER 31, [2021] 2022.

2 (4) THE DEPARTMENT MAY MAKE DESIGNATIONS UNDER THIS  
3 SECTION ON A ROLLING BASIS DURING THE APPLICATION PERIOD.

4 \* \* \*

5 SECTION 1907-E. MIXED-USE DEVELOPMENT TAX CREDITS.

6 (A) TAX CREDIT AUTHORITY.--FOR PURPOSES, AND IN ACCORDANCE  
7 WITH THE PROVISIONS OF THIS ARTICLE, THE AGENCY MAY ALLOCATE AN  
8 AMOUNT NOT TO EXCEED [\$3,000,000] \$4,500,000 IN EACH FISCAL YEAR  
9 IN MIXED-USE DEVELOPMENT TAX CREDITS AND IS DIRECTED TO DEPOSIT  
10 PROCEEDS AND EARNINGS DERIVED FROM THE SALE INTO THE FUND.

11 \* \* \*

12 SECTION 1906-F. KEYSTONE INNOVATION ZONE TAX CREDITS.

13 \* \* \*

14 (B) APPLICATION FOR TAX CREDIT.--A KIZ COMPANY MAY FILE AN  
15 APPLICATION FOR A TAX CREDIT WITH THE DEPARTMENT. AN APPLICATION  
16 UNDER THIS SUBSECTION MUST BE FILED BY [SEPTEMBER 15 OF EACH  
17 YEAR FOR THE PRIOR TAXABLE YEAR, BEGINNING SEPTEMBER 15, 2006]  
18 DECEMBER 1 FOR THE PRIOR TAX YEAR. THE APPLICATION MUST BE  
19 SUBMITTED ON A FORM REQUIRED BY THE DEPARTMENT AND MUST BE  
20 ACCOMPANIED BY A CERTIFICATION FROM THE KIZ COORDINATOR THAT THE  
21 KIZ COMPANY FALLS WITHIN A TARGETED INDUSTRY SEGMENT IDENTIFIED  
22 IN THE STRATEGIC PLAN ADOPTED BY THE KIZ PARTNERSHIP, AND MEET  
23 ANY OTHER REQUIREMENTS SPECIFIED BY THE DEPARTMENT. THE  
24 DEPARTMENT SHALL REVIEW THE APPLICATION AND, UPON BEING  
25 SATISFIED THAT ALL REQUIREMENTS HAVE BEEN MET, THE DEPARTMENT  
26 SHALL ISSUE A TAX CREDIT CERTIFICATE TO THE KIZ COMPANY. ALL  
27 CERTIFICATES SHALL BE AWARDED BY [DECEMBER 15 OF EACH YEAR] MAY  
28 1 OF EACH YEAR FOLLOWING THE CALENDAR YEAR OF APPLICATION.

29 \* \* \*

30 (D) APPLICATION OF TAX CREDIT AND ELECTION.--A TAX CREDIT

1 APPROVED UNDER THIS SECTION MUST BE FIRST APPLIED AGAINST THE  
2 KIZ COMPANY'S TAX LIABILITY UNDER ARTICLE III, IV OR VI, FOR THE  
3 TAXABLE YEAR [DURING] IN WHICH THE TAXPAYER APPLIED FOR THE TAX  
4 CREDIT [IS APPROVED]. IF THE AMOUNT OF TAX LIABILITY OWED BY THE  
5 KIZ COMPANY IS LESS THAN THE AMOUNT OF THE TAX CREDIT, THE KIZ  
6 COMPANY MAY ELECT TO CARRY FORWARD THE AMOUNT OF THE REMAINING  
7 TAX CREDIT FOR A PERIOD NOT TO EXCEED FOUR ADDITIONAL TAXABLE  
8 YEARS AND TO APPLY THE CREDIT AGAINST TAX LIABILITY INCURRED  
9 DURING THOSE TAX YEARS; OR THE KIZ COMPANY MAY ELECT TO SELL OR  
10 ASSIGN A PORTION OF THE TAX CREDIT IN ACCORDANCE WITH THE  
11 PROVISIONS OF SUBSECTION (F). A KIZ COMPANY MAY NOT CARRY BACK  
12 OR OBTAIN A REFUND OF AN UNUSED KEYSTONE INNOVATION ZONE TAX  
13 CREDIT.

14 \* \* \*

15 SECTION 1908-F. ANNUAL REPORT.

16 THE DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE SECRETARY  
17 OF THE SENATE AND THE CHIEF CLERK OF THE HOUSE OF  
18 REPRESENTATIVES INDICATING THE EFFECTIVENESS OF THE KEYSTONE  
19 INNOVATION ZONE TAX CREDIT PROVIDED BY THIS ARTICLE BY [DECEMBER  
20 31 OF EACH YEAR, BEGINNING DECEMBER 31, 2007] OCTOBER 1 OF EACH  
21 YEAR FOLLOWING THE CALENDAR YEAR OF APPLICATION. NOTWITHSTANDING  
22 ANY LAW PROVIDING FOR THE CONFIDENTIALITY OF TAX RECORDS, THE  
23 REPORT SHALL INCLUDE THE NAMES OF ALL TAXPAYERS AWARDED THE  
24 CREDITS, ALL TAXPAYERS UTILIZING THE CREDITS, THE AMOUNT OF  
25 CREDITS APPROVED AND UTILIZED BY EACH TAXPAYER AND THE LOCATIONS  
26 OF THE KIZ COMPANIES AWARDED THE CREDITS. THE REPORT SHALL BE A  
27 PUBLIC DOCUMENT.

28 SECTION 21.1. SECTIONS 1903-G(B), (C), (C.1) AND (D) AND  
29 1910-G(A) OF THE ACT, ADDED NOVEMBER 3, 2020 (P.L.1704, NO.107),  
30 ARE AMENDED TO READ:

1 SECTION 1903-G. PENNSYLVANIA HOUSING TAX CREDIT.

2 \* \* \*

3 (B) AVAILABILITY.-- [TAX CREDITS MAY NOT BE AWARDED UNDER  
4 THIS ARTICLE UNTIL THE NOTICE UNDER SUBSECTION (C.1) IS  
5 PUBLISHED.]

6 (1) BEGINNING IN FISCAL YEAR 2021-2022 AND EACH FISCAL  
7 YEAR THEREAFTER, THE AGENCY MAY AWARD A TOTAL OF \$10,000,000  
8 IN TAX CREDITS PER FISCAL YEAR IN ACCORDANCE WITH THIS  
9 ARTICLE.

10 (2) IN ADDITION TO THE AMOUNT ALLOCATED UNDER PARAGRAPH  
11 (1), THE AGENCY MAY AWARD ANY UNALLOCATED TAX CREDITS FROM  
12 THE PRECEDING FISCAL YEAR.

13 (C) MAXIMUM AMOUNT.-- [(RESERVED).] NO TAXPAYER MAY BE  
14 AWARDED A TAX CREDIT FOR AN AMOUNT THAT EXCEEDS \$1,500,000 FOR A  
15 QUALIFIED LOW-INCOME HOUSING PROJECT.

16 [(C.1) NOTICE.--UPON AN ENACTMENT AFTER THE EFFECTIVE DATE  
17 OF THIS SUBSECTION TO MAKE AN AMOUNT OF TAX CREDITS AVAILABLE  
18 UNDER THIS ARTICLE, THE SECRETARY OF THE BUDGET SHALL SUBMIT A  
19 NOTICE TO THE LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION IN  
20 THE PENNSYLVANIA BULLETIN.]

21 (D) APPLICATION.--

22 [(1) THE AGENCY MAY NOT ACCEPT APPLICATIONS FOR A TAX  
23 CREDIT UNDER THIS SECTION UNTIL THE NOTICE UNDER SUBSECTION  
24 (C.1) IS PUBLISHED.]

25 (1.1) A TAXPAYER MAY APPLY TO THE AGENCY FOR A TAX  
26 CREDIT UNDER THIS SECTION BY SUBMITTING AN APPLICATION ON A  
27 FORM REQUIRED BY THE AGENCY.

28 (2) THE AGENCY MAY REQUIRE SUCH INFORMATION ON THE  
29 APPLICATION AS NECESSARY TO VERIFY COMPLIANCE WITH THIS ACT.

30 (3) EXCEPT AS OTHERWISE PROVIDED BY LAW, BEFORE THE TAX

1 CREDIT MAY BE AWARDED, THE DEPARTMENT MUST FIND THAT THE  
2 TAXPAYER HAS FILED ALL REQUIRED STATE TAX REPORTS AND RETURNS  
3 FOR ALL APPLICABLE TAX YEARS AND PAID ANY BALANCE OF STATE  
4 TAX DUE AS DETERMINED AT SETTLEMENT OR ASSESSMENT BY THE  
5 DEPARTMENT, UNLESS THE TAX DUE IS CURRENTLY UNDER APPEAL.

6 \* \* \*

7 SECTION 1910-G. ANNUAL REPORT.

8 (A) DUTY OF AGENCY.--[BY THE FIRST SEPTEMBER 30 OF THE  
9 CALENDAR YEAR AFTER THE NOTICE UNDER 1903-G(C.1) IS PUBLISHED  
10 AND EACH SEPTEMBER 30 THEREAFTER,] ON OR BEFORE OCTOBER 1, 2022,  
11 AND EACH OCTOBER 1 THEREAFTER, THE AGENCY SHALL SUBMIT A REPORT  
12 ON THE TAX CREDIT TO THE CHAIRPERSON AND MINORITY CHAIRPERSON OF  
13 THE APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRPERSON AND  
14 MINORITY CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF THE  
15 HOUSE OF REPRESENTATIVES, THE CHAIRPERSON AND MINORITY  
16 CHAIRPERSON OF THE URBAN AFFAIRS AND HOUSING COMMITTEE OF THE  
17 SENATE AND THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE URBAN  
18 AFFAIRS COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE REPORT  
19 SHALL INCLUDE THE FOLLOWING INFORMATION FOR THE PRIOR FISCAL  
20 YEAR:

21 (1) THE NUMBER AND AMOUNT OF TAX CREDITS AWARDED [IN THE  
22 PRIOR FISCAL YEAR].

23 (2) THE TAXPAYERS THAT WERE AWARDED TAX CREDITS [IN THE  
24 PRIOR FISCAL YEAR].

25 (3) THE AMOUNT OF TAX CREDITS ISSUED TO EACH TAXPAYER  
26 [IN THE PRIOR FISCAL YEAR].

27 \* \* \*

28 SECTION 21.2. SECTION 2503 OF THE ACT IS REPEALED:

29 [SECTION 2503. EXPIRATION.]

30 (A) EXPIRATION.--THIS ARTICLE SHALL EXPIRE AUGUST 1, 2021.]



1 SECTION 22. SECTION 2702 OF THE ACT IS AMENDED BY ADDING A  
2 SUBSECTION TO READ:

3 SECTION 2702. PETITION FOR REASSESSMENT.

4 \* \* \*

5 (A.2) PETITION FOR REVIEW OF DENIAL OF TAX CREDIT OR TAX  
6 BENEFIT.--THE FOLLOWING APPLY:

7 (1) A PETITION FOR REASSESSMENT UNDER SUBSECTION (A) MAY  
8 INCLUDE A REQUEST FOR REVIEW OF A DENIAL OF AN APPLICATION  
9 FOR A TAX CREDIT OR TAX BENEFIT MADE BY AN ADMINISTERING  
10 AGENCY.

11 (2) THE ADMINISTERING AGENCY SHALL HAVE THE RIGHT TO BE  
12 REPRESENTED IN ALL PROCEEDINGS BEFORE THE DEPARTMENT. AN  
13 APPLICANT FILING A PETITION UNDER PARAGRAPH (1) SHALL PROVIDE  
14 A COPY OF THE PETITION TO THE ADMINISTERING AGENCY WITHIN 30  
15 DAYS OF THE APPLICANT FILING THE PETITION WITH THE  
16 DEPARTMENT.

17 (3) THE DEPARTMENT'S REVIEW OF A PETITION FILED UNDER  
18 PARAGRAPH (1) SHALL BE LIMITED TO THE ADMINISTERING AGENCY'S  
19 DENIAL OF A TAX CREDIT OR TAX BENEFIT AND SHALL NOT INCLUDE A  
20 REVIEW OF ANY UNDERLYING TAX DETERMINATIONS.

21 (4) FOR THE PURPOSES OF THIS SUBSECTION:

22 (I) THE TERMS "APPLICANT," "TAX BENEFIT" AND "TAX  
23 CREDIT" SHALL HAVE THE SAME MEANING AS IN SECTION 1701-  
24 A.1.

25 (II) THE TERM ADMINISTERING AGENCY SHALL HAVE THE  
26 SAME MEANING AS IN SECTION 1701-A.1 BUT SHALL NOT INCLUDE  
27 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.

28 \* \* \*

29 SECTION 23. SECTION 2703(A) OF THE ACT IS AMENDED BY ADDING  
30 PARAGRAPHS AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO

1 READ:

2 SECTION 2703. PETITION PROCEDURE.

3 (A) CONTENT OF PETITION.--

4 \* \* \*

5 (2.2) A PETITION FOR REVIEW OF TAX ADJUSTMENT NOT  
6 RESULTING IN AN INCREASE IN LIABILITY SHALL STATE:

7 (I) THE TAX TYPE AND TAX PERIODS INCLUDED WITHIN THE  
8 PETITION.

9 (II) THE AMOUNT OF THE TAX THAT THE TAXPAYER CLAIMS  
10 TO HAVE BEEN ERRONEOUSLY ADJUSTED.

11 (III) THE BASIS UPON WHICH THE TAXPAYER CLAIMS THAT  
12 THE ADJUSTMENT IS ERRONEOUS.

13 (2.3) A PETITION FOR REVIEW OF DENIAL OF TAX CREDIT OR  
14 TAX BENEFIT SHALL STATE:

15 (I) THE TAX CREDIT OR TAX BENEFIT PROGRAM FOR WHICH  
16 THE APPLICANT WAS DENIED.

17 (II) THE AMOUNT OF THE TAX CREDIT OR TAX BENEFIT  
18 THAT THE TAXPAYER CLAIMS TO HAVE BEEN ERRONEOUSLY DENIED.

19 (III) THE BASIS UPON WHICH THE TAXPAYER CLAIMS THAT  
20 THE DENIAL IS ERRONEOUS.

21 \* \* \*

22 (B.1) PARTICIPATION OF ADMINISTERING AGENCY.--AN  
23 ADMINISTERING AGENCY OF A TAX CREDIT OR TAX BENEFIT SHALL BE  
24 PERMITTED TO PARTICIPATE IN A HEARING BEFORE THE DEPARTMENT.  
25 THE DEPARTMENT SHALL NOTIFY THE ADMINISTERING AGENCY OF THE  
26 DATE, TIME AND PLACE WHERE THE HEARING WILL BE HELD. THE  
27 ADMINISTERING AGENCY SHALL BE PROVIDED THE OPPORTUNITY TO  
28 COMMENT UPON ANY SUBMITTED EVIDENCE AND PROVIDE WRITTEN AND ORAL  
29 ARGUMENT TO SUPPORT ITS DENIAL.

30 \* \* \*

1 SECTION 24. SECTION 2704(D.1) OF THE ACT IS AMENDED BY  
2 ADDING A PARAGRAPH TO READ:  
3 SECTION 2704. REVIEW BY BOARD.

4 \* \* \*

5 (D.1) REPRESENTATION.--

6 \* \* \*

7 (3) AN ADMINISTERING AGENCY OF A TAX CREDIT OR TAX  
8 BENEFIT SHALL BE PERMITTED TO PARTICIPATE IN ALL PROCEEDINGS  
9 BEFORE THE BOARD. THE BOARD SHALL NOTIFY THE ADMINISTERING  
10 AGENCY OF THE DATE, TIME AND PLACE WHERE THE HEARING WILL BE  
11 HELD. THE ADMINISTERING AGENCY SHALL BE PROVIDED THE  
12 OPPORTUNITY TO COMMENT UPON ANY SUBMITTED EVIDENCE AND  
13 PROVIDE WRITTEN AND ORAL ARGUMENT TO SUPPORT ITS DENIAL.

14 \* \* \*

15 SECTION 25. ARTICLE XXIX-D OF THE ACT IS AMENDED BY ADDING A  
16 SUBARTICLE HEADING TO READ:

17 SUBARTICLE A

18 PRELIMINARY PROVISIONS

19 SECTION 26. THE DEFINITION OF "TAX REFUND" IN SECTION 2901-D  
20 OF THE ACT IS AMENDED AND THE SECTION IS AMENDED BY ADDING  
21 DEFINITIONS TO READ:

22 SECTION 2901-D. DEFINITIONS.

23 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE  
24 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
25 CONTEXT CLEARLY INDICATES OTHERWISE:

26 \* \* \*

27 "TAX EXEMPTION." THE TAX EXEMPTION PROVIDED UNDER SUBARTICLE  
28 C.

29 "TAX REFUND." THE TAX REFUND PROVIDED FOR UNDER [THIS  
30 ARTICLE] SUBARTICLE B.

1       "TELECOMMUNICATIONS PROVIDER." A PROVIDER OF  
2       TELECOMMUNICATIONS SERVICES AS DEFINED IN 61 PA. CODE § 60.20  
3       (RELATING TO TELECOMMUNICATIONS SERVICE).

4       \* \* \*

5       SECTION 27. ARTICLE XXIX-D OF THE ACT IS AMENDED BY ADDING A  
6       SUBARTICLE HEADING TO READ:

7                               SUBARTICLE B  
8                               SALES AND USE TAX REFUND PROGRAM

9       SECTION 28. SECTION 2902-D OF THE ACT IS RENUMBERED TO READ:  
10      SECTION [2902-D] 2911-D. SALES AND USE TAX REFUND.

11      (A) APPLICATION.--BEGINNING JULY 1, 2017, AN OWNER OR  
12      OPERATOR OR QUALIFIED TENANT OF A COMPUTER DATA CENTER CERTIFIED  
13      UNDER THIS ARTICLE MAY APPLY FOR A TAX REFUND OF TAXES PAID  
14      UNDER ARTICLE II UPON THE SALE AT RETAIL OR USE OF COMPUTER DATA  
15      CENTER EQUIPMENT FOR INSTALLATION IN A COMPUTER DATA CENTER,  
16      PURCHASED BY:

17              (1) AN OWNER OR OPERATOR OF A COMPUTER DATA CENTER  
18      CERTIFIED UNDER THIS ARTICLE.

19              (2) A QUALIFIED TENANT CERTIFIED UNDER THIS ARTICLE.

20      (B) APPLICABILITY.--TAXES PAID UNDER ARTICLE II DURING THE  
21      QUALIFICATION PERIOD SHALL BE ELIGIBLE FOR A REFUND UNDER THIS  
22      ARTICLE.

23      (C) EXCLUSIONS.--THE FOLLOWING DO NOT QUALIFY FOR A TAX  
24      REFUND:

25              (1) COMPUTER DATA CENTER EQUIPMENT USED BY THE COMPUTER  
26      DATA CENTER TO:

27                      (I) GENERATE ELECTRICITY FOR RESALE PURPOSES TO A  
28                      POWER UTILITY, EXCEPT FOR SALES INCIDENTAL TO THE PRIMARY  
29                      SALE TO COMPUTER DATA CENTERS AND WHICH QUALIFY UNDER  
30                      SUBPARAGRAPH (II); OR

1 (II) GENERATE, PROVIDE OR SELL MORE THAN 5% OF ITS  
2 ELECTRICITY OUTSIDE OF THE COMPUTER DATA CENTER.

3 (2) (RESERVED).

4 SECTION 29. SECTIONS 2903-D, 2904-D AND 2905-D OF THE ACT  
5 ARE RENUMBERED AND AMENDED TO READ:

6 SECTION [2903-D] 2912-D. APPLICATION FOR CERTIFICATION.

7 TO BE CONSIDERED FOR A CERTIFICATION, AN OWNER OR OPERATOR OF  
8 A COMPUTER DATA CENTER SHALL SUBMIT TO THE DEPARTMENT AN  
9 APPLICATION ON A FORM PRESCRIBED BY THE DEPARTMENT THAT INCLUDES  
10 THE FOLLOWING:

11 (1) THE OWNER'S OR OPERATOR'S NAME, ADDRESS AND  
12 TELEPHONE NUMBER.

13 (2) THE ADDRESS OF THE SITE WHERE THE FACILITY IS OR  
14 WILL BE LOCATED, INCLUDING, IF APPLICABLE, INFORMATION  
15 SUFFICIENT TO IDENTIFY THE SPECIFIC PORTION OR PORTIONS OF  
16 THE FACILITY COMPRISING THE COMPUTER DATA CENTER.

17 (3) IF THE COMPUTER DATA CENTER IS TO QUALIFY UNDER  
18 SECTION [2906-D(1)] 2915-D(1), THE FOLLOWING INFORMATION:

19 (I) THE ANTICIPATED INVESTMENT ASSOCIATED WITH THE  
20 COMPUTER DATA CENTER FOR WHICH THE CERTIFICATION IS BEING  
21 SOUGHT.

22 (II) AN AFFIRMATION, SIGNED BY AN AUTHORIZED  
23 EXECUTIVE REPRESENTING THE OWNER OR OPERATOR, THAT THE  
24 COMPUTER DATA CENTER IS EXPECTED TO SATISFY THE  
25 CERTIFICATION REQUIREMENTS PRESCRIBED IN SECTION [2906-  
26 D(1)] 2915-D(1).

27 (4) IF THE COMPUTER DATA CENTER IS TO QUALIFY UNDER  
28 SECTION [2906-D(2)] 2915-D(2), AN AFFIRMATION, SIGNED BY AN  
29 AUTHORIZED EXECUTIVE REPRESENTING THE OWNER OR OPERATOR, THAT  
30 THE COMPUTER DATA CENTER HAS SATISFIED, OR WILL SATISFY, THE

1 CERTIFICATION REQUIREMENTS PRESCRIBED IN SECTION [2906-D(2)]  
2 2915-D(2).

3 (5) THE DEPARTMENT SHALL BEGIN ACCEPTING APPLICATIONS NO  
4 LATER THAN 90 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION.  
5 SECTION [2904-D] 2913-D. REVIEW OF APPLICATION.

6 (A) GENERAL RULE.--WITHIN 60 DAYS AFTER RECEIVING A COMPLETE  
7 AND CORRECT APPLICATION, THE DEPARTMENT SHALL REVIEW THE  
8 APPLICATION AND EITHER ISSUE A WRITTEN CERTIFICATION THAT THE  
9 COMPUTER DATA CENTER QUALIFIES FOR THE CERTIFICATION OR PROVIDE  
10 WRITTEN REASONS FOR ITS DENIAL.

11 (B) DEEMED APPROVAL.--FAILURE OF THE DEPARTMENT TO APPROVE  
12 OR DENY AN APPLICATION WITHIN 60 DAYS AFTER THE DATE THE OWNER  
13 OR OPERATOR OF A COMPUTER DATA CENTER SUBMITS THE APPLICATION TO  
14 THE DEPARTMENT CONSTITUTES CERTIFICATION OF THE COMPUTER DATA  
15 CENTER, AND THE DEPARTMENT SHALL ISSUE WRITTEN CERTIFICATION TO  
16 THE OWNER OR OPERATOR WITHIN 14 DAYS. THE DEPARTMENT MAY NOT  
17 CERTIFY ANY COMPUTER DATA CENTER AFTER DECEMBER 31, [2029] 2021.  
18 SECTION [2905-D] 2914-D. SEPARATION OF FACILITIES.

19 (A) SEPARATE CERTIFICATION.--AN OWNER OR OPERATOR OF A  
20 COMPUTER DATA CENTER MAY SEPARATE A FACILITY INTO ONE OR MORE  
21 COMPUTER DATA CENTERS, WHICH MAY EACH RECEIVE A SEPARATE  
22 CERTIFICATION, IF EACH COMPUTER DATA CENTER INDIVIDUALLY MEETS  
23 THE REQUIREMENTS PRESCRIBED IN SECTION [2906-D] 2915-D.

24 (B) LIMITATION.--A PORTION OF A FACILITY OR AN ARTICLE OF  
25 COMPUTER DATA EQUIPMENT SHALL NOT BE DEEMED TO BE A PART OF MORE  
26 THAN ONE COMPUTER DATA CENTER.

27 (C) AGGREGATION.--AN OWNER OR OPERATOR MAY AGGREGATE ONE OR  
28 MORE PARCELS, BUILDINGS OR CONDOMINIUMS IN A FACILITY INTO A  
29 SINGLE COMPUTER DATA CENTER IF, IN THE AGGREGATE, THE PARCELS,  
30 BUILDINGS AND CONDOMINIUMS MEET THE REQUIREMENTS OF THIS

1 ARTICLE.

2 SECTION 30. SECTION 2906-D OF THE ACT IS RENUMBERED TO READ:  
3 SECTION [2906-D] 2915-D. ELIGIBILITY REQUIREMENTS.

4 A COMPUTER DATA CENTER MUST MEET ONE OF THE FOLLOWING  
5 REQUIREMENTS, AFTER TAKING INTO ACCOUNT THE COMBINED INVESTMENTS  
6 MADE AND ANNUAL COMPENSATION PAID BY THE OWNER OR OPERATOR OF  
7 THE COMPUTER DATA CENTER OR THE QUALIFIED TENANT:

8 (1) ON OR BEFORE THE FOURTH ANNIVERSARY OF  
9 CERTIFICATION, THE COMPUTER DATA CENTER CREATES A MINIMUM  
10 INVESTMENT OF:

11 (I) AT LEAST \$25,000,000 OF NEW INVESTMENT IF THE  
12 COMPUTER DATA CENTER IS LOCATED IN A COUNTY WITH A  
13 POPULATION OF 250,000 OR FEWER INDIVIDUALS; OR

14 (II) AT LEAST \$50,000,000 OF NEW INVESTMENT IF THE  
15 COMPUTER DATA CENTER IS LOCATED IN A COUNTY WITH A  
16 POPULATION OF MORE THAN 250,000 INDIVIDUALS.

17 (2) ONE OR MORE TAXPAYERS OPERATING OR OCCUPYING A  
18 COMPUTER DATA CENTER, IN THE AGGREGATE, PAY ANNUAL  
19 COMPENSATION OF AT LEAST \$1,000,000 TO EMPLOYEES AT THE  
20 CERTIFIED COMPUTER DATA CENTER SITE FOR EACH YEAR OF THE  
21 CERTIFICATION AFTER THE FOURTH ANNIVERSARY OF CERTIFICATION.

22 SECTION 31. SECTIONS 2907-D AND 2908-D OF THE ACT ARE  
23 RENUMBERED AND AMENDED TO READ:

24 SECTION [2907-D] 2916-D. NOTIFICATION.

25 (A) REQUIREMENTS SATISFIED.--ON OR BEFORE THE FOURTH  
26 ANNIVERSARY OF THE CERTIFICATION OF A COMPUTER DATA CENTER, THE  
27 OWNER OR OPERATOR OF A COMPUTER DATA CENTER SHALL NOTIFY THE  
28 DEPARTMENT IN WRITING WHETHER THE COMPUTER DATA CENTER FOR WHICH  
29 THE CERTIFICATION IS REQUESTED HAS SATISFIED THE REQUIREMENTS  
30 PRESCRIBED IN SECTION [2906-D] 2915-D.

1 (B) RECORDS.--UNTIL A COMPUTER DATA CENTER SATISFIES THE  
2 REQUIREMENTS PRESCRIBED IN SECTION [2906-D] 2915-D, THE OWNER,  
3 OPERATOR AND QUALIFIED TENANTS SHALL MAINTAIN DETAILED RECORDS  
4 OF ALL INVESTMENTS CREATED BY THE COMPUTER DATA CENTER,  
5 INCLUDING COSTS OF BUILDINGS AND COMPUTER DATA CENTER EQUIPMENT,  
6 AND ALL TAX REFUNDS DIRECTLY RECEIVED BY THE OWNER, OPERATOR OR  
7 QUALIFIED TENANT.

8 SECTION [2908-D] 2917-D. REVOCATION OF CERTIFICATION.

9 (A) REVOCATION.--IF THE DEPARTMENT DETERMINES THAT THE  
10 REQUIREMENTS OF SECTION [2906-D] 2915-D HAVE NOT BEEN SATISFIED,  
11 THE DEPARTMENT MAY REVOKE THE CERTIFICATION OF A COMPUTER DATA  
12 CENTER.

13 (B) APPEAL.--THE OWNER OR OPERATOR OF THE COMPUTER DATA  
14 CENTER MAY APPEAL THE REVOCATION. APPEALS FILED UNDER THIS  
15 SECTION SHALL BE GOVERNED BY ARTICLE II.

16 (C) RECAPTURE.--IF CERTIFICATION IS REVOKED PURSUANT TO THIS  
17 SECTION, THE QUALIFICATION PERIOD OF ANY OWNER, OPERATOR OR  
18 QUALIFIED TENANT OF THE COMPUTER DATA CENTER EXPIRES, AND THE  
19 DEPARTMENT MAY RECAPTURE FROM THE OWNER, OPERATOR OR QUALIFIED  
20 TENANT ALL OR PART OF THE TAX REFUND PROVIDED DIRECTLY TO THE  
21 OWNER OR OPERATOR OR QUALIFIED TENANT. THE DEPARTMENT MAY GIVE  
22 SPECIAL CONSIDERATION OR ALLOW A TEMPORARY EXEMPTION FROM  
23 RECAPTURE OF THE TAX REFUND IF THERE IS EXTRAORDINARY HARDSHIP  
24 DUE TO FACTORS BEYOND THE CONTROL OF THE OWNER OR OPERATOR OR  
25 QUALIFIED TENANT.

26 SECTION 32. SECTION 2909-D OF THE ACT IS RENUMBERED TO READ:  
27 SECTION [2909-D] 2918-D. GUIDELINES.

28 THE DEPARTMENT SHALL PUBLISH GUIDELINES AND PRESCRIBE FORMS  
29 AND PROCEDURES AS NECESSARY FOR THE PURPOSES OF THIS ARTICLE.

30 SECTION 33. SECTION 2910-D OF THE ACT IS RENUMBERED AND



1 AMENDED TO READ:

2 SECTION [2910-D] 2919-D. CONFIDENTIAL INFORMATION.

3 PROPRIETARY BUSINESS INFORMATION CONTAINED IN THE APPLICATION  
4 FORM DESCRIBED IN SECTION [2903-D] 2912-D AND THE WRITTEN NOTICE  
5 DESCRIBED IN SECTION [2907-D] 2916-D, AS WELL AS INFORMATION  
6 CONCERNING THE IDENTITY OF A QUALIFIED TENANT, ARE CONFIDENTIAL  
7 AND MAY NOT BE DISCLOSED TO THE PUBLIC. THE DEPARTMENT MAY  
8 DISCLOSE THE NAME OF A COMPUTER DATA CENTER THAT HAS BEEN  
9 CERTIFIED UNDER THIS ARTICLE.

10 SECTION 34. SECTION 2911-D OF THE ACT IS RENUMBERED TO READ:

11 SECTION [2911-D] 2920-D. LIST OF TENANTS.

12 AN OWNER OR OPERATOR OF A COMPUTER DATA CENTER SHALL PROVIDE,  
13 TO THE EXTENT PERMISSIBLE UNDER FEDERAL LAW, THE DEPARTMENT WITH  
14 A LIST OF QUALIFIED TENANTS, INCLUDING THE COMMENCEMENT AND  
15 EXPIRATION DATES OF EACH QUALIFIED TENANT'S AGREEMENT TO USE OR  
16 OCCUPY PART OF THE COMPUTER DATA CENTER. THE LIST SHALL BE  
17 PROVIDED TO THE DEPARTMENT ANNUALLY, UPON REQUEST BY THE  
18 DEPARTMENT.

19 SECTION 35. SECTION 2912-D OF THE ACT IS RENUMBERED AND

20 AMENDED TO READ:

21 SECTION [2912-D] 2921-D. SALE OR TRANSFER.

22 EXCEPT AS PROVIDED IN SECTION [2908-D] 2917-D, A COMPUTER  
23 DATA CENTER RETAINS ITS CERTIFICATION REGARDLESS OF A TRANSFER,  
24 SALE OR OTHER DISPOSITION, DIRECTLY OR INDIRECTLY, OF THE  
25 COMPUTER DATA CENTER.

26 SECTION 36. SECTIONS 2913-D AND 2914-D OF THE ACT ARE

27 RENUMBERED TO READ:

28 SECTION [2913-D] 2922-D. APPLICATION.

29 (A) GENERAL RULE.--AN OWNER, OPERATOR OR QUALIFIED TENANT  
30 MAY APPLY FOR A TAX REFUND UNDER THIS ARTICLE ON OR BEFORE JULY

1 30, 2017, AND EACH JULY 30 THEREAFTER.

2 (B) NOTIFICATION.--NO LATER THAN SEPTEMBER 30, 2017, AND  
3 EACH SEPTEMBER 30 THEREAFTER, THE DEPARTMENT SHALL NOTIFY EACH  
4 APPLICANT OF THE AMOUNT OF TAX REFUND APPROVED BY THE  
5 DEPARTMENT.

6 SECTION [2914-D] 2923-D. LIMITATIONS.

7 (A) TOTAL.--THE TOTAL AMOUNT OF STATE TAX REFUNDS APPROVED  
8 BY THE DEPARTMENT UNDER THIS ARTICLE SHALL NOT EXCEED \$7,000,000  
9 IN ANY FISCAL YEAR.

10 (B) ALLOCATION.--IF THE TOTAL AMOUNT OF TAX REFUNDS APPROVED  
11 FOR ALL APPLICANTS EXCEEDS THE LIMITATION ON THE AMOUNT OF TAX  
12 REFUNDS IN SUBSECTION (A) IN A FISCAL YEAR, THE TAX REFUND TO BE  
13 RECEIVED BY EACH APPLICANT SHALL BE DETERMINED AS FOLLOWS:

14 (1) DIVIDE:

15 (I) THE TAX REFUND APPROVED FOR THE APPLICANT; BY

16 (II) THE TOTAL OF ALL TAX REFUNDS APPROVED FOR ALL  
17 APPLICANTS.

18 (2) MULTIPLY:

19 (I) THE AMOUNT UNDER SUBSECTION (A); BY

20 (II) THE QUOTIENT UNDER PARAGRAPH (1).

21 (3) THE ALGEBRAIC FORM OF THE CALCULATION UNDER THIS  
22 SUBSECTION IS:

23 TAXPAYER'S TAX REFUND = AMOUNT ALLOCATED FOR THOSE  
24 TAX REFUNDS X (TAX REFUND APPROVED FOR THE  
25 APPLICANT/TOTAL OF ALL TAX REFUNDS APPROVED FOR ALL  
26 APPLICANTS).

27 SECTION 37. ARTICLE XXIX-D OF THE ACT IS AMENDED BY ADDING A  
28 SECTION TO READ:

29 SECTION 2924-D. APPLICABILITY.

30 NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, THE

1 DEPARTMENT MAY NOT ISSUE A TAX REFUND UNDER THIS SUBARTICLE FOR  
2 THE TAX IMPOSED UPON THE SALE AT RETAIL OR USE OF COMPUTER DATA  
3 CENTER EQUIPMENT PURCHASED AFTER DECEMBER 31, 2021.

4 SECTION 38. ARTICLE XXIX-D OF THE ACT IS AMENDED BY ADDING A  
5 SUBARTICLE TO READ:

6 SUBARTICLE C

7 SALES AND USE TAX EXEMPTION PROGRAM

8 SECTION 2931-D. SALES AND USE TAX EXEMPTION.

9 (A) SALES AND USE TAX.--BEGINNING JANUARY 1, 2022, THE TAX  
10 IMPOSED UNDER ARTICLE II SHALL NOT BE IMPOSED UPON THE SALE AT  
11 RETAIL OR USE OF COMPUTER DATA CENTER EQUIPMENT PURCHASED FOR  
12 INSTALLATION IN A CERTIFIED COMPUTER DATA CENTER, IF PURCHASED  
13 BY ANY OF THE FOLLOWING:

14 (1) AN OWNER OR OPERATOR OF A COMPUTER DATA CENTER  
15 CERTIFIED UNDER THIS SUBARTICLE.

16 (2) A QUALIFIED TENANT OF A COMPUTER DATA CENTER  
17 CERTIFIED UNDER THIS SUBARTICLE.

18 (B) APPLICABILITY.--A TAX EXEMPTION APPROVED UNDER THIS  
19 SUBARTICLE SHALL APPLY DURING THE QUALIFICATION PERIOD AS  
20 PROVIDED UNDER SECTION 2942-D.

21 (C) EXCLUSIONS.--THE FOLLOWING SHALL NOT QUALIFY FOR A TAX  
22 EXEMPTION:

23 (1) A TELECOMMUNICATIONS PROVIDER'S COMPUTER DATA CENTER  
24 THAT DOES NOT HAVE RETAIL OR WHOLESALE CUSTOMERS BEING BILLED  
25 OR PAYING FOR SERVICES AND DOES PROVIDE A MAJORITY OF  
26 SERVICES FOR INTERNAL USE OR USE BY THE TELECOMMUNICATIONS  
27 PROVIDER'S SUBSIDIARIES.

28 (2) COMPUTER DATA CENTER EQUIPMENT USED BY THE CERTIFIED  
29 COMPUTER DATA CENTER FOR ANY OF THE FOLLOWING PURPOSES:

30 (I) GENERATING ELECTRICITY FOR RESALE PURPOSES TO A

1           POWER UTILITY.

2           (II) GENERATING, PROVIDING OR SELLING MORE THAN 5%  
3           OF ITS ELECTRICITY OUTSIDE OF THE CERTIFIED COMPUTER DATA  
4           CENTER.

5           (3) LAPTOP COMPUTERS, HANDHELD DEVICES AND MOTOR  
6           VEHICLES FOR USE BOTH INSIDE AND OUTSIDE THE COMPUTER DATA  
7           CENTER.

8 SECTION 2932-D. APPLICATION FOR CERTIFICATION.

9           (A) APPLICATION.--TO BE CONSIDERED FOR A CERTIFICATION, AN  
10          OWNER OR OPERATOR OF A COMPUTER DATA CENTER SHALL SUBMIT TO THE  
11          DEPARTMENT AN APPLICATION ON A FORM PRESCRIBED BY THE DEPARTMENT  
12          THAT INCLUDES ALL OF THE FOLLOWING:

13           (1) THE OWNER'S OR OPERATOR'S NAME, ADDRESS AND  
14           TELEPHONE NUMBER.

15           (2) THE ADDRESS OF THE SITE WHERE THE COMPUTER DATA  
16           CENTER IS OR WILL BE LOCATED, INCLUDING, IF APPLICABLE,  
17           INFORMATION SUFFICIENT TO IDENTIFY THE SPECIFIC PORTION OF A  
18           FACILITY COMPRISING THE COMPUTER DATA CENTER.

19           (3) AN AFFIRMATION, SIGNED BY AN AUTHORIZED EXECUTIVE  
20           REPRESENTING THE OWNER OR OPERATOR, THAT THE COMPUTER DATA  
21           CENTER IS EXPECTED TO SATISFY THE CERTIFICATION REQUIREMENTS  
22           PRESCRIBED UNDER SECTION 2935-D.

23           (B) ACCEPTANCE.--THE DEPARTMENT SHALL BEGIN ACCEPTING  
24           APPLICATIONS NO LATER THAN 60 DAYS AFTER THE EFFECTIVE DATE OF  
25           THIS SECTION.

26           (C) COMPLIANCE IN REPORTING.--AN OWNER OR OPERATOR OR  
27           QUALIFIED TENANT ELIGIBLE FOR A CERTIFICATION SHALL COMPLY WITH  
28           ALL REPORTING, FILING AND COMPLIANCE REQUIREMENTS UNDER THIS  
29           ACT.

30           (D) COMPLIANCE IN TAX LAWS.--NO OWNER OR OPERATOR OR

1 QUALIFIED TENANT MAY RECEIVE A CERTIFICATION UNDER THIS  
2 SUBARTICLE UNLESS THAT OWNER OR OPERATOR OR QUALIFIED TENANT IS  
3 IN FULL COMPLIANCE WITH ALL STATE TAX LAWS.

4 SECTION 2933-D. REVIEW OF APPLICATION.

5 (A) GENERAL RULE.--WITHIN 60 DAYS AFTER RECEIVING A COMPLETE  
6 AND CORRECT APPLICATION, THE DEPARTMENT SHALL REVIEW THE  
7 APPLICATION AND EITHER ISSUE A WRITTEN CERTIFICATION THAT THE  
8 COMPUTER DATA CENTER QUALIFIES FOR THE CERTIFICATION OR PROVIDE  
9 WRITTEN REASONS FOR ITS DENIAL.

10 (B) DEEMED APPROVAL.--FAILURE OF THE DEPARTMENT TO APPROVE  
11 OR DENY AN APPLICATION THAT HAS BEEN ACKNOWLEDGED AS RECEIVED BY  
12 THE DEPARTMENT, WITHIN 60 DAYS AFTER THE DATE THE OWNER OR  
13 OPERATOR OF A COMPUTER DATA CENTER SUBMITS THE APPLICATION TO  
14 THE DEPARTMENT SHALL CONSTITUTE CERTIFICATION OF THE COMPUTER  
15 DATA CENTER, AND THE DEPARTMENT SHALL ISSUE WRITTEN  
16 CERTIFICATION TO THE OWNER OR OPERATOR WITHIN 14 DAYS.

17 SECTION 2934-D. SEPARATION OF FACILITIES.

18 (A) SEPARATE CERTIFICATION.--AN OWNER OR OPERATOR OF A  
19 COMPUTER DATA CENTER MAY SEPARATE A FACILITY INTO ONE OR MORE  
20 COMPUTER DATA CENTERS, WHICH MAY EACH RECEIVE A SEPARATE  
21 CERTIFICATION, IF EACH COMPUTER DATA CENTER INDIVIDUALLY MEETS  
22 THE REQUIREMENTS PRESCRIBED IN SECTION 2935-D.

23 (B) LIMITATION.--A PORTION OF A FACILITY OR AN ARTICLE OF  
24 COMPUTER DATA EQUIPMENT SHALL NOT BE DEEMED TO BE A PART OF MORE  
25 THAN ONE COMPUTER DATA CENTER FOR CERTIFICATION UNDER THIS  
26 SUBARTICLE.

27 (C) AGGREGATION.--AN OWNER OR OPERATOR MAY AGGREGATE ONE OR  
28 MORE PARCELS, BUILDINGS OR CONDOMINIUMS IN A FACILITY INTO A  
29 SINGLE COMPUTER DATA CENTER FOR CERTIFICATION UNDER THIS  
30 SUBARTICLE IF, IN THE AGGREGATE, THE PARCELS, BUILDINGS AND

1 CONDOMINIUMS MEET THE REQUIREMENTS PRESCRIBED IN SECTION 2935-D.  
2 SECTION 2935-D. ELIGIBILITY REQUIREMENTS.

3 (A) GENERAL RULE.--IN ORDER TO BE CERTIFIED UNDER THIS  
4 SUBARTICLE, AN OWNER OR OPERATOR OF A COMPUTER DATA CENTER MUST  
5 MEET ALL OF THE FOLLOWING REQUIREMENTS:

6 (1) ON OR BEFORE THE FOURTH ANNIVERSARY OF  
7 CERTIFICATION, THE COMBINED INVESTMENT, IN THE AGGREGATE, OF  
8 THE OWNER OR OPERATOR OR QUALIFIED TENANT OF THE COMPUTER  
9 DATA CENTER MUST TOTAL A MINIMUM OF ANY OF THE FOLLOWING:

10 (I) AT LEAST \$75,000,000 OF NEW INVESTMENT IF THE  
11 COMPUTER DATA CENTER IS LOCATED IN A COUNTY WITH A  
12 POPULATION OF 250,000 OR FEWER INDIVIDUALS AND CREATES 25  
13 NEW JOBS.

14 (II) AT LEAST \$100,000,000 OF NEW INVESTMENT IF THE  
15 COMPUTER DATA CENTER IS LOCATED IN A COUNTY WITH A  
16 POPULATION OF MORE THAN 250,000 INDIVIDUALS AND CREATES  
17 45 NEW JOBS.

18 (2) ON OR BEFORE THE FOURTH ANNIVERSARY OF  
19 CERTIFICATION, THE OWNER OR OPERATOR OR QUALIFIED TENANT OF A  
20 COMPUTER DATA CENTER, IN THE AGGREGATE, MUST PAY ANNUAL  
21 COMPENSATION OF AT LEAST \$1,000,000 TO EMPLOYEES AT THE  
22 CERTIFIED COMPUTER DATA CENTER SITE FOR EACH YEAR OF THE  
23 CERTIFICATION AFTER THE FOURTH ANNIVERSARY OF CERTIFICATION.

24 (B) PRIOR APPLICATIONS.--A COMPUTER DATA CENTER THAT HAS MET  
25 THE ELIGIBILITY REQUIREMENTS AS PRESCRIBED UNDER SECTION 2915-D  
26 AND HAS, PRIOR TO JULY 1, 2021, BEEN CERTIFIED UNDER SECTION  
27 2913-D SHALL BE DEEMED TO MEET THE CERTIFICATION REQUIREMENTS OF  
28 THIS SECTION. THE CERTIFICATION SHALL NOT BE REVOKED, EXCEPT AS  
29 PROVIDED UNDER SECTION 2917-D, AND SHALL REMAIN IN EFFECT FOR  
30 THE REMAINDER OF THE QUALIFICATION PERIOD.

1 (C) LIMITATION.--THE DEPARTMENT MAY NOT CERTIFY ANY COMPUTER  
2 DATA CENTER UNDER THIS SUBARTICLE AFTER DECEMBER 31, 2032.

3 (D) DEFINITION.--AS USED IN THIS SECTION, THE TERM "NEW  
4 INVESTMENT" MEANS CONSTRUCTION, EXPANSION OR BUILD OUT OF DATA  
5 CENTER SPACE AT EITHER A NEW OR AN EXISTING COMPUTER DATA CENTER  
6 ON OR AFTER JANUARY 1, 2022, AND THE PURCHASE AND INSTALLATION  
7 OF COMPUTER DATA CENTER EQUIPMENT, EXCEPT FOR ITEMS DESCRIBED  
8 UNDER PARAGRAPH (4) OF THE DEFINITION OF "COMPUTER DATA CENTER  
9 EQUIPMENT" IN SECTION 2901-D.

10 SECTION 2936-D. NOTIFICATION AND RECORDS.

11 (A) REQUIREMENTS SATISFIED.--ON OR BEFORE THE FOURTH  
12 ANNIVERSARY OF THE CERTIFICATION OF A COMPUTER DATA CENTER, THE  
13 OWNER OR OPERATOR OF THE COMPUTER DATA CENTER SHALL NOTIFY THE  
14 DEPARTMENT IN WRITING WHETHER THE COMPUTER DATA CENTER FOR WHICH  
15 THE CERTIFICATION IS REQUESTED HAS SATISFIED THE REQUIREMENTS  
16 PRESCRIBED UNDER SECTION 2935-D.

17 (B) RECORDS.--THE OWNER OR OPERATOR OR QUALIFIED TENANT  
18 SHALL:

19 (1) MAINTAIN DETAILED RECORDS OF ALL INVESTMENTS CREATED  
20 BY THE COMPUTER DATA CENTER, INCLUDING COSTS OF BUILDINGS AND  
21 COMPUTER DATA CENTER EQUIPMENT AND ALL TAX EXEMPTIONS  
22 RECEIVED BY THE OWNER OR OPERATOR OR QUALIFIED TENANT.

23 (2) MAINTAIN PURCHASE JOURNALS FOR EXAMINATION BY THE  
24 DEPARTMENT.

25 SECTION 2937-D. REVOCATION OF CERTIFICATION.

26 (A) REVOCATION.--IF THE DEPARTMENT DETERMINES THAT THE  
27 REQUIREMENTS OF SECTION 2935-D HAVE NOT BEEN SATISFIED, THE  
28 DEPARTMENT MAY REVOKE THE CERTIFICATION OF A COMPUTER DATA  
29 CENTER.

30 (B) APPEAL.--THE OWNER OR OPERATOR OF THE COMPUTER DATA

1 CENTER MAY APPEAL THE REVOCATION. APPEALS FILED UNDER THIS  
2 SECTION SHALL BE GOVERNED BY ARTICLE II.

3 (C) RECAPTURE.--IF CERTIFICATION IS REVOKED UNDER THIS  
4 SECTION, THE QUALIFICATION PERIOD OF ANY OWNER OR OPERATOR OR  
5 QUALIFIED TENANT OF THE COMPUTER DATA CENTER SHALL EXPIRE AND  
6 THE DEPARTMENT MAY RECAPTURE FROM THE OWNER OR OPERATOR OR  
7 QUALIFIED TENANT ALL OR PART OF THE TAX EXEMPTION RECEIVED BY  
8 THE OWNER OR OPERATOR OR QUALIFIED TENANT UNDER SECTION 2942-D.  
9 THE DEPARTMENT MAY GIVE SPECIAL CONSIDERATION OR ALLOW A  
10 TEMPORARY EXEMPTION FROM RECAPTURE OF THE TAX EXEMPTION IF THERE  
11 IS EXTRAORDINARY HARDSHIP DUE TO FACTORS BEYOND THE CONTROL OF  
12 THE OWNER OR OPERATOR OR QUALIFIED TENANT. THE DEPARTMENT MAY  
13 REQUIRE THE OWNER OR OPERATOR OR QUALIFIED TENANT TO FILE  
14 APPROPRIATE AMENDED TAX RETURNS IN ORDER TO REFLECT ANY  
15 RECAPTURE OF THE TAX EXEMPTION.

16 (D) LIMITATION ON ASSESSMENT.--NOTWITHSTANDING THE  
17 LIMITATION ON ASSESSMENT AND COLLECTION IN SECTION 258, THE  
18 DEPARTMENT SHALL ASSESS ANY TAX DETERMINED NOT TO BE PROPERLY  
19 EXEMPTED UNDER THIS SUBARTICLE WITHIN FIVE YEARS FROM THE DATE  
20 AN OWNER OR OPERATOR OR QUALIFIED TENANT OF A COMPUTER DATA  
21 CENTER PURCHASES PROPERTY EXEMPT FROM A TAX. A TAXPAYER MAY  
22 CONSENT TO AN EXTENSION OF THE PERIOD AS SET FORTH IN SECTION  
23 261.

24 SECTION 2938-D. GUIDELINES.

25 THE DEPARTMENT SHALL PUBLISH GUIDELINES AND PRESCRIBE FORMS  
26 AND PROCEDURES AS NECESSARY FOR THE PURPOSES OF THIS ARTICLE.

27 SECTION 2939-D. CONFIDENTIAL INFORMATION.

28 PROPRIETARY BUSINESS INFORMATION CONTAINED IN THE APPLICATION  
29 FORM DESCRIBED UNDER SECTION 2932-D AND THE WRITTEN NOTICE  
30 DESCRIBED UNDER SECTION 2936-D, AS WELL AS INFORMATION



1 CONCERNING THE IDENTITY OF A QUALIFIED TENANT, SHALL BE  
2 CONFIDENTIAL AND MAY NOT BE DISCLOSED TO THE PUBLIC. THE  
3 DEPARTMENT MAY DISCLOSE THE NAME OF A COMPUTER DATA CENTER THAT  
4 HAS BEEN CERTIFIED UNDER THIS SUBARTICLE.

5 SECTION 2940-D. LIST OF TENANTS.

6 AN OWNER OR OPERATOR OF A CERTIFIED COMPUTER DATA CENTER  
7 SHALL PROVIDE, TO THE EXTENT PERMISSIBLE UNDER FEDERAL LAW, THE  
8 DEPARTMENT WITH A LIST OF QUALIFIED TENANTS, INCLUDING THE  
9 COMMENCEMENT AND EXPIRATION DATES OF EACH QUALIFIED TENANT'S  
10 AGREEMENT TO USE OR OCCUPY PART OF THE CERTIFIED COMPUTER DATA  
11 CENTER. THE LIST SHALL BE PROVIDED TO THE DEPARTMENT ANNUALLY,  
12 UPON REQUEST BY THE DEPARTMENT.

13 SECTION 2941-D. SALE OR TRANSFER.

14 EXCEPT AS PROVIDED UNDER SECTION 2937-D, A COMPUTER DATA  
15 CENTER RETAINS ITS CERTIFICATION REGARDLESS OF A TRANSFER, SALE  
16 OR OTHER DISPOSITION, DIRECTLY OR INDIRECTLY, OF THE COMPUTER  
17 DATA CENTER.

18 SECTION 2942-D. CERTIFICATE OF EXEMPTION.

19 (A) GENERAL RULE.--A QUALIFIED OWNER OR OPERATOR OR  
20 QUALIFIED TENANT OF A COMPUTER DATA CENTER CERTIFIED UNDER THIS  
21 SUBARTICLE MAY SUBMIT FOR A SALES AND USE TAX CERTIFICATE OF  
22 EXEMPTION IN A MANNER PRESCRIBED BY THE DEPARTMENT ON OR BEFORE  
23 OCTOBER 1, 2021, AND RENEW EACH OCTOBER 1 THEREAFTER. THE  
24 FOLLOWING SHALL APPLY:

25 (1) THE OWNER OR OPERATOR OR QUALIFIED TENANT OF A  
26 CERTIFIED COMPUTER DATA CENTER ELIGIBLE FOR A SALES AND USE  
27 TAX CERTIFICATE OF EXEMPTION SHALL COMPLY WITH ALL REPORTING,  
28 FILING AND COMPLIANCE REQUIREMENTS UNDER THIS ACT.

29 (2) NO OWNER OR OPERATOR OR QUALIFIED TENANT MAY RECEIVE  
30 A SALES AND USE TAX CERTIFICATE OF EXEMPTION UNDER THIS

1 SUBARTICLE UNLESS THAT OWNER OR OPERATOR OR QUALIFIED TENANT  
2 IS IN FULL COMPLIANCE WITH ALL STATE TAX LAWS.

3 (B) NOTIFICATION.--NO LATER THAN 60 DAYS AFTER THE  
4 SUBMISSION UNDER SUBSECTION (A) FOR A SALES AND USE TAX  
5 CERTIFICATE OF EXEMPTION, THE DEPARTMENT SHALL ISSUE A SALES AND  
6 USE TAX CERTIFICATE OF EXEMPTION TO EACH APPLICANT APPROVED BY  
7 THE DEPARTMENT.

8 (C) EXEMPT PURCHASES.--THE OWNER OR OPERATOR OR QUALIFIED  
9 TENANT OF A CERTIFIED COMPUTER DATA CENTER SHALL PREPARE AND  
10 DELIVER A PROPERLY EXECUTED SALES AND USE TAX CERTIFICATE OF  
11 EXEMPTION TO A VENDOR FROM WHICH THE OWNER OR OPERATOR OR  
12 QUALIFIED TENANT PURCHASES EXEMPT COMPUTER DATA CENTER  
13 EQUIPMENT.

14 SECTION 39. SECTION 3003.9(A) OF THE ACT IS AMENDED TO READ:

15 SECTION 3003.9. BAD CHECKS; ELECTRONIC FUNDS TRANSFERS NOT  
16 CREDITED UPON TRANSMISSION; ADDITIONS TO TAX.--(A) IF ANY CHECK  
17 IN PAYMENT OF ANY AMOUNT RECEIVABLE UNDER THE LAWS OF THIS  
18 COMMONWEALTH ADMINISTERED BY THE DEPARTMENT IS NOT PAID UPON  
19 PRESENTMENT, OR ANY ELECTRONIC FUNDS TRANSFER AS PAYMENT OF ANY  
20 AMOUNT RECEIVABLE UNDER THE LAWS OF THIS COMMONWEALTH  
21 ADMINISTERED BY THE DEPARTMENT IS NOT CREDITED UPON  
22 TRANSMISSION, IN ADDITION TO ANY INTEREST OR PENALTIES PROVIDED  
23 BY LAW, THE DEPARTMENT SHALL CHARGE THE PERSON WHO TENDERED THE  
24 CHECK OR AUTHORIZED THE ELECTRONIC TRANSMISSION AN ADDITION TO  
25 TAX EQUAL TO TEN PER CENT OF THE FACE AMOUNT OF THE CHECK OR  
26 ELECTRONIC FUNDS TRANSFER, PLUS INTEREST AND PROTEST FEES,  
27 PROVIDED THAT THE ADDITION IMPOSED BY THIS SECTION SHALL NOT  
28 EXCEED [ONE THOUSAND DOLLARS (\$1,000)] ONE HUNDRED DOLLARS  
29 (\$100) NOR BE LESS THAN TWENTY-FIVE DOLLARS (\$25).

30 \* \* \*

1 SECTION 40. THE FOLLOWING APPLY:

2 (1) THE ADDITION OF SECTION 204(74) AND (75) SHALL APPLY  
3 TO SALES AT RETAIL OR USES AFTER DECEMBER 31, 2021.

4 (2) THE ADDITION OF SECTION 303(A.10) OF THE ACT SHALL  
5 APPLY TO TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2020.

6 (3) THE ADDITION OF SECTIONS 332.1 AND 352(K) OF THE ACT  
7 SHALL APPLY TO PAYMENTS MADE AFTER DECEMBER 31, 2021.

8 (4) THE AMENDMENT OF SECTION 407.6(A) (5) OF THE ACT  
9 SHALL APPLY TO TAXABLE YEARS BEGINNING AFTER DECEMBER 31,  
10 2020.

11 (5) THE AMENDMENT OF SECTION 1907-E(A) OF THE ACT SHALL  
12 APPLY TO FISCAL YEARS BEGINNING AFTER JUNE 30, 2021.

13 SECTION 41. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

14 (1) THE AMENDMENT OR ADDITION OF SECTIONS 1772-D, 1777-  
15 D(A) AND (B) AND 1782-D OF THE ACT SHALL TAKE EFFECT JULY 1,  
16 2021, OR IMMEDIATELY, WHICHEVER IS LATER.

17 (2) THE FOLLOWING SHALL TAKE EFFECT IN 30 DAYS:

18 (I) THE AMENDMENT OR ADDITION OF ARTICLE XVII-A.1  
19 HEADING AND SECTIONS 1701-A.1, 1702-A.1, 1703-B(A) AND  
20 (C), 1704-B(A) AND (B), 1711-B, 1711-D, 1712-D(B),  
21 1716.1-D(A), 1906-F(B) AND (D), 1908-F, 2702(A.2),  
22 2703(A) (2.2) AND (2.3) AND (B.1) AND 2704(D.1) (3) OF THE  
23 ACT.

24 (II) THE ADDITION OF SECTIONS 1703-A.1, 1704-A.1,  
25 1705-A.1, 1707-A.1, 1708-A.1 AND 1709-A.1 OF THE ACT.

26 (3) THE AMENDMENT OF SECTION 204(67) AND (68) OF THE ACT  
27 SHALL TAKE EFFECT IN 60 DAYS.

28 (4) THE AMENDMENT OF SECTION 3003.9(A) OF THE ACT SHALL  
29 TAKE EFFECT IN 120 DAYS.

30 (5) THE ADDITION OF SECTION 1706-A.1 OF THE ACT SHALL

1 TAKE EFFECT IN 180 DAYS.

2 (6) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT  
3 IMMEDIATELY.