

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1674 Session of 2021

INTRODUCED BY LAWRENCE, JUNE 22, 2021

REFERRED TO COMMITTEE ON FINANCE, JUNE 22, 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 corporate net income tax, further providing  
11 for imposition of tax.

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

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

17 Section 402. Imposition of Tax.--\* \* \*

18 (d) The following apply:

19 (1) Notwithstanding subsection (a)(3), a corporation,  
20 whether in the corporation's own name or through any person,  
21 association, business trust, corporation, joint venture, limited  
22 liability company, limited partnership, partnership or other  
23 entity, shall not be subject to the tax imposed under this

1 article for the period beginning after June 30, 2021, and ending  
2 January 1, 2022, if the corporation would otherwise be subject  
3 to the tax imposed under this article solely due to an employe  
4 subject to a remote work arrangement. As used in this paragraph,  
5 the term "remote work arrangement" shall mean an arrangement  
6 between a corporation and an employe of the corporation under  
7 which the employe performs duties for the corporation from the  
8 employe's domicile which has been established in this  
9 Commonwealth.

10 (2) This subsection shall expire January 1, 2022.

11 Section 2. This act shall take effect immediately.