

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 349 Session of 2021

INTRODUCED BY HUTCHINSON, DiSANTO, J. WARD, K. WARD, BROOKS, MARTIN, STEFANO, PHILLIPS-HILL, BARTOLOTTA, VOGEL, PITTMAN, DUSH, MASTRIANO AND SCAVELLO, MARCH 10, 2021

REFERRED TO FINANCE, MARCH 10, 2021

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
 2 act relating to tax reform and State taxation by codifying
 3 and enumerating certain subjects of taxation and imposing
 4 taxes thereon; providing procedures for the payment,
 5 collection, administration and enforcement thereof; providing
 6 for tax credits in certain cases; conferring powers and
 7 imposing duties upon the Department of Revenue, certain
 8 employers, fiduciaries, individuals, persons, corporations
 9 and other entities; prescribing crimes, offenses and
 10 penalties," in personal income tax, further providing for
 11 classes of income.

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

14 Section 1. Section 303(a.3) of the act of March 4, 1971
 15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended
 16 to read:

17 Section 303. Classes of Income.--* * *

18 (a.3) The cost of property commonly referred to as Section
 19 179 Property may be treated as a deductible expense only to the
 20 extent allowable under the version of section 179 of the
 21 Internal Revenue Code in effect at the time the property is
 22 placed in service [or under section 179 of the Internal Revenue

1 Code of 1986 (26 U.S.C. § 179), whichever is earlier]. The basis
2 of Section 179 Property shall be reduced, but not below zero,
3 for costs treated as a deductible expense. The amount of the
4 reduction shall be the amount deducted on a return and not
5 disallowed, regardless of whether the deduction results in a
6 reduction of income.

7 * * *

8 Section 2. This act shall take effect in 60 days.