

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 194 Session of 2023

INTRODUCED BY D. MILLER, FREEMAN, MADDEN, SANCHEZ, HILL-EVANS, HOWARD, GUENST, KINSEY, CEPEDA-FREYTIZ, SCHLOSSBERG, KHAN, ZABEL, BULLOCK, CIRESI, DELLOSO AND OTTEN, MARCH 8, 2023

REFERRED TO COMMITTEE ON FINANCE, MARCH 8, 2023

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 special tax provisions for poverty.

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

14 Section 1. Section 304(d) of the act of March 4, 1971
 15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended
 16 by adding a clause to read:

17 Section 304. Special Tax Provisions for Poverty.--* * *

18 (d) Any claim for special tax provisions hereunder shall be
 19 determined in accordance with the following:

20 * * *

21 (4) For the tax year immediately following the effective
 22 date of this clause and for every tax year thereafter, the

1 poverty income amounts under clause (1) shall be increased by an
2 annual cost-of-living adjustment calculated by applying the
3 percentage change in the Consumer Price Index for All Urban
4 Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware and
5 Maryland area, for the most recent twelve-month period for which
6 figures have been officially reported by the United States
7 Department of Labor, Bureau of Labor Statistics immediately
8 prior to the date the adjustment is due to take effect, to the
9 then current poverty income amounts. The department shall
10 determine the percentage increase and the new poverty income
11 amounts prior to the annual effective date of the adjustment and
12 shall transmit notice to the Legislative Reference Bureau for
13 publication in the Pennsylvania Bulletin within ten days of the
14 date the determination is made. The poverty income amounts may
15 not be decreased as a result of a negative percentage change in
16 the CPI-U for the Pennsylvania, New Jersey, Delaware and
17 Maryland area.

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