

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 911 Session of 2023

INTRODUCED BY SHUSTERMAN, HILL-EVANS, SANCHEZ, MADDEN, KINSEY, SCHLOSSBERG, BURGOS, NEILSON, CIRESI, HANBIDGE, KINKEAD, GREEN, CEPEDA-FREYTIZ AND BOROWSKI, APRIL 17, 2023

REFERRED TO COMMITTEE ON FINANCE, APRIL 17, 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, providing for charitable
 11 contribution exemption.

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

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

17 Section 304.3. Charitable Contribution Exemption.--(a) A
 18 contribution to a charitable organization shall be exempt from
 19 all taxation by the Commonwealth and its political subdivisions
 20 in accordance with this section.

21 (b) The following apply:

22 (1) An amount contributed to a charitable organization shall

1 be deductible from the taxable income of the contributor under
2 this article for the tax year the contribution was made.

3 (2) The total contributions made by a contributor during a
4 taxable year to all charitable organizations that are allowable
5 as a deduction under this section shall not exceed the dollar
6 amount under 26 U.S.C. § 2503(b) (relating to taxable gifts).

7 (3) The deduction shall not result in the contributor's
8 taxable income being less than zero.

9 (c) As used in this section, the following words and phrases
10 shall have the meanings given to them in this subsection unless
11 the context clearly indicates otherwise:

12 "Charitable organization." An organization that is qualified
13 under 26 U.S.C. § 501(c)(3) (relating to exemption from tax on
14 corporations, certain trusts, etc.) and that has obtained an
15 exemption number from the department as a charitable
16 organization.

17 "Contributor." An individual who makes a contribution to a
18 charitable organization.

19 Section 2. The addition of section 304.3 of the act shall
20 apply to taxable years commencing after the effective date of
21 this section.

22 Section 3. This act shall take effect in 60 days.