
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1860 Session of
2023

INTRODUCED BY ORTITAY AND GREEN, NOVEMBER 30, 2023

REFERRED TO COMMITTEE ON COMMERCE, NOVEMBER 30, 2023

AN ACT

1 Amending Title 15 (Corporations and Unincorporated Associations)
2 of the Pennsylvania Consolidated Statutes, in corporate
3 powers, duties and safeguards, further providing for transfer
4 of securities and restrictions.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 1529(d)(1) of Title 15 of the
8 Pennsylvania Consolidated Statutes is amended to read:
9 § 1529. Transfer of securities; restrictions.

10 * * *

11 (d) Tax and regulatory restrictions.--Any restriction on the
12 transfer of securities of a business corporation or on the
13 amount of securities of a corporation that may be owned by a
14 person or group of persons for any of the following purposes
15 shall be conclusively presumed to be for a reasonable purpose:

16 (1) relating to the Federal, State, local or foreign
17 taxation of the corporation or its shareholders, including
18 without limitation:

19 (i) maintaining the status of the corporation as an

1 electing small business corporation under Subchapter S of
2 the Internal Revenue Code of 1986;

3 (ii) maintaining or preserving any tax attribute,
4 including without limitation net operating losses; or

5 (iii) [qualifying] except for a private real estate
6 investment trust, qualifying or maintaining the
7 qualification of the corporation as a real estate
8 investment trust pursuant to the Internal Revenue Code of
9 1986;

10 * * *

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