
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 615 Session of
2023

INTRODUCED BY BROOKS, STEFANO, DILLON, KANE, MASTRIANO,
SANTARSIERO AND BAKER, APRIL 24, 2023

REFERRED TO FINANCE, APRIL 24, 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," providing for National Guard service tax credit.

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

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

16 ARTICLE XVIII-I

17 NATIONAL GUARD SERVICE TAX CREDIT

18 Section 1801-I. Definitions.

19 The following words and phrases when used in this article
20 shall have the meanings given to them in this section unless the
21 context clearly indicates otherwise:

22 "Department." The Department of Revenue of the Commonwealth.

1 "Qualified tax liability." The liability for taxes imposed
2 under Article III for the taxable year beginning after December
3 31, 2023, and each taxable year thereafter.

4 "Tax credit." The tax credit under this article.

5 "Taxpayer." An individual subject to payment of taxes under
6 Article III who is a member of the Pennsylvania National Guard.
7 Section 1802-I. Eligibility.

8 (a) Application to department.--A taxpayer may claim a tax
9 credit against the qualified tax liability of the taxpayer by
10 submitting an application for the tax credit under this article
11 in a manner required by the department. The application shall
12 contain the following information:

13 (1) The name and tax identification number of the
14 taxpayer.

15 (2) Documentation that the taxpayer meets the
16 eligibility criteria specified in section 1803-I.

17 (3) Any other information deemed appropriate by the
18 department.

19 (b) Procedure.--The application shall be attached to the
20 applicant's annual tax return required to be filed under Article
21 III.

22 Section 1803-I. Taxpayer eligibility.

23 (a) Credit.--A taxpayer who is an active member of the
24 Pennsylvania National Guard and meets all of the following
25 criteria shall be eligible for a tax credit:

26 (1) Is a resident of this Commonwealth.

27 (2) Has at least two full years of service in the
28 Pennsylvania National Guard by December 31 of the first
29 eligible taxable year under this article. For purposes of
30 this paragraph, two full years of service means two full

1 calendar years in which the taxpayer has met all obligations
2 required of the taxpayer as a result of military service in
3 the Pennsylvania National Guard, including any obligations
4 not met but excused by the taxpayer's chain of command.

5 (3) Is an active member of the Pennsylvania National
6 Guard on the date that the taxpayer files the tax return.

7 (b) Maximum credit.--A taxpayer who qualifies under
8 subsection (a) may claim a tax credit of \$500.

9 Section 1804-I. Carryover and carryback prohibited.

10 A taxpayer may not carry over, carry back, obtain a refund
11 of, sell or assign an unused tax credit under this article.

12 Section 1805-I. Self certification.

13 The making or filing by a taxpayer of any return,
14 declaration, statement or other document required to be made or
15 filed under this article shall constitute a certification by the
16 taxpayer that the statements, including the taxpayer's residency
17 status and years of service as an active member of the
18 Pennsylvania National Guard, contained in the return,
19 declaration, statement or other document are true and that any
20 copy filed is a true copy.

21 Section 1806-I. Guidelines.

22 (a) General rule.--The department shall adopt guidelines,
23 including forms, necessary to administer this article.

24 (b) Joint income.--A tax credit granted under this article
25 may be applied to the tax liability of the spouse of an eligible
26 taxpayer if both the eligible taxpayer and the spouse report
27 income on a joint income tax return.

28 Section 1807-I. Report to General Assembly.

29 No later than December 31, 2024, and each December 31
30 thereafter, the department shall submit a report on the tax

1 credits granted under this article. The report shall include the
2 number of active members of the Pennsylvania National Guard who
3 utilized the tax credit as of the date of the report and the
4 amount of credits approved. The report may include
5 recommendations for changes in the calculation or administration
6 of the tax credit. The report shall be submitted to the
7 chairperson and minority chairperson of the Appropriations
8 Committee of the Senate, the chairperson and minority
9 chairperson of the Appropriations Committee of the House of
10 Representatives, the chairperson and minority chairperson of the
11 Veterans Affairs and Emergency Preparedness Committee of the
12 Senate and the chairperson and minority chairperson of the
13 Veterans Affairs and Emergency Preparedness Committee of the
14 House of Representatives. The report may include other
15 information that the department deems appropriate.
16 Section 1808-I. Penalty.

17 A taxpayer who claims a credit under this article but fails
18 to meet the standards under this article, shall repay the full
19 amount of the tax credit to the Commonwealth, plus interest as
20 prescribed under section 351.

21 Section 2. This act shall take effect immediately.