

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 654 Session of 2023

INTRODUCED BY BARTOLOTTA, YAW, HUTCHINSON, PENNYCUICK, ROTHMAN, BAKER, DUSH, VOGEL AND SCHWANK, MAY 2, 2023

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, MARCH 18, 2024

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; AND ESTABLISHING THE PUBLIC TRANSPORTATION <--
12 TRUST FUND.

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

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

18 Section 303. Classes of Income.--\* \* \*
19 ~~(a.11) A person~~ (A.11) (1) EXCEPT AS PROVIDED UNDER <--
20 PARAGRAPH (2), A TAXPAYER WHO HAS PARTIAL OR FULL OWNERSHIP OF
21 LAND ON WHICH TAXABLE INCOME IS GENERATED FROM THE MINING,
22 EXTRACTION OR PRODUCTION OF OIL, GAS, ORES, MINERALS OR OTHER

1 NATURAL RESOURCES OF A MINE, OIL OR GAS WELL OR OTHER NATURAL  
2 DEPOSIT OCCURS may claim a deduction for depletion of a mine,  
3 oil and gas well and other natural deposit in accordance with  
4 the provisions of sections 611, 612, 613, 613A, 614, 616 and 617  
5 of the Internal Revenue Code of 1986 (Public Law 99-514, 26  
6 U.S.C. § 611 et seq.) in effect on the effective date of this  
7 subsection PARAGRAPH. <--

8 (2) ONCE A TAXPAYER HAS RECOVERED THE ORIGINAL BASIS IN THE <--  
9 PROPERTY, THE TAXPAYER IS NO LONGER ELIGIBLE FOR THE DEDUCTION  
10 UNDER PARAGRAPH (1).

11 \* \* \*

12 SECTION 2. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ: <--

13 ARTICLE XXIII-A  
14 PUBLIC TRANSPORTATION TRUST FUND

15 SECTION 2301-A. TRANSFERS TO PUBLIC TRANSPORTATION TRUST FUND.  
16 NOTWITHSTANDING 74 PA.C.S. § 1506(C) (1) (RELATING TO FUND),  
17 6.4% OF THE AMOUNT COLLECTED UNDER ARTICLE II SHALL BE DEPOSITED  
18 INTO THE PUBLIC TRANSPORTATION TRUST FUND ANNUALLY BY THE 20TH  
19 DAY OF EACH MONTH FOR THE PRECEDING MONTH.

20 SECTION 2302-A. ANNUAL INCREASE.

21 NOTWITHSTANDING 74 PA.C.S. § 1513(C) (3) AND (D) (2) (RELATING  
22 TO OPERATING PROGRAM), THE TOTAL FINANCIAL ASSISTANCE PROVIDED  
23 TO EACH LOCAL TRANSPORTATION ORGANIZATION MAY EXCEED 20% OF THE  
24 PRIOR YEAR ALLOCATION AND THE SECRETARY OF TRANSPORTATION MAY  
25 ADJUST AND HOLD HARMLESS THE AMOUNT OF ANNUAL INCREASE IN LOCAL  
26 MATCH UNDER 74 PA.C.S. § 1513(D) (2) FOR A PERIOD OF FIVE FISCAL  
27 YEARS BEGINNING IN FISCAL YEAR 2024-2025.

28 Section 2 3. The addition of section 303(a.11) of the act <--  
29 shall apply to tax years beginning after December 31, 2022 2023. <--

30 ~~Section 3. This act shall take effect immediately.~~ <--

1 SECTION 4. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

<--

2 (1) THE ADDITION OF ARTICLE XXIII-A OF THE ACT SHALL  
3 TAKE EFFECT JULY 1, 2024.

4 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT  
5 IMMEDIATELY.