

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 123 Session of 2019

INTRODUCED BY D. MILLER, A. DAVIS, McNEILL, SCHLOSSBERG,  
 FREEMAN, T. DAVIS, STURLA, YOUNGBLOOD, CIRESI, DeLUCA, OTTEN,  
 HILL-EVANS AND McCLINTON, JANUARY 28, 2019

REFERRED TO COMMITTEE ON FINANCE, JANUARY 28, 2019

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 percentage increase and  
10 the new poverty income amounts shall be determined by the  
11 department prior to the annual effective date of the adjustment  
12 and shall transmit notice to the Legislative Reference Bureau  
13 for publication in the Pennsylvania Bulletin within ten days of  
14 the date such determination is made. The poverty income amounts  
15 may not be decreased as a result of a negative percentage change  
16 in the CPI-U for the Pennsylvania, New Jersey, Delaware and  
17 Maryland area.

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