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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1791 Session of  
2017

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INTRODUCED BY ROTHMAN, PICKETT, RYAN, BAKER, CHARLTON, STAATS,  
KAUFFMAN, BERNSTINE, BLOOM, MILLARD, ZIMMERMAN AND WHEELAND,  
SEPTEMBER 18, 2017

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REFERRED TO COMMITTEE ON FINANCE, SEPTEMBER 18, 2017

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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 corporate net income tax, further providing  
11 for imposition of tax.

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

14 Section 1. Section 402 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, is amended to read:

16 Section 402. Imposition of Tax.--(a) A corporation shall be  
17 subject to and shall pay an excise tax for exercising, whether  
18 in its own name or through any person, association, business  
19 trust, corporation, joint venture, limited liability company,  
20 limited partnership, partnership or other entity, any of the  
21 following privileges:

22 (1) Doing business in this Commonwealth.

1 (2) Carrying on activities in this Commonwealth, including  
2 solicitation which is not protected activity under the act of  
3 September 14, 1959 (Public Law 86-272, 15 U.S.C. § 381 et seq.).

4 (3) Having capital or property employed or used in this  
5 Commonwealth.

6 (4) Owning property in this Commonwealth.

7 (b) The annual rate of tax on corporate net income imposed  
8 by subsection (a) for taxable years beginning for the calendar  
9 year or fiscal year on or after the dates set forth shall be as  
10 follows:

11 Taxable Year	Tax Rate
12 January 1, 1995, [and 13 each taxable year 14 thereafter] <u>through</u> 15 <u>December 31, 2017</u>	9.99%
16 <u>January 1, 2018, and</u> 17 <u>each taxable year</u> 18 <u>thereafter</u>	<u>3.07%</u>

19 (c) An entity subject to taxation under Article VII, VIII,  
20 IX or XV shall not be subject to the tax imposed by this  
21 article.

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