
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2282 Session of
2024

INTRODUCED BY MERCURI, BANTA, BERNSTINE, DAVANZO, GAYDOS,
GILLEN, GREGORY, HAMM, JAMES, M. JONES, KAUFFMAN, KUTZ,
M. MACKENZIE, PICKETT, ROWE, STAATS, WARNER AND WATRO,
MAY 14, 2024

REFERRED TO COMMITTEE ON FINANCE, MAY 14, 2024

AN ACT

1 Establishing the Taxpayer Dividend Program; imposing powers and
2 duties on the State Treasurer and Department of Revenue; and
3 providing for payment of certain taxpayer dividends.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Taxpayer
8 Dividend Program Act of 2024.

9 Section 2. Legislative findings.

10 The General Assembly finds and declares as follows:

11 (1) Over the past three fiscal years, the General
12 Assembly has deposited \$5.6 billion of surplus General Fund
13 money in the Budget Stabilization Reserve Fund, which is
14 commonly known as the Rainy Day Fund.

15 (2) Many of these annual deposits in the Budget
16 Stabilization Reserve Fund exceeded the statutorily required
17 minimum amounts of up to 20% of the prior fiscal year's

1 surplus.

2 (3) The balance of the Budget Stabilization Reserve Fund
3 is projected to be at least \$6.4 billion by the end of the
4 2023-2024 fiscal year.

5 (4) The General Fund has been projected to have a
6 surplus of at least \$6.4 billion by the end of the 2023-2024
7 fiscal year.

8 (5) Many lobbyists, stakeholders and elected officials
9 are lining up to spend the entire General Fund surplus and
10 the Budget Stabilization Reserve Fund.

11 (6) The Governor's proposed spending increases for the
12 2024-2025 fiscal year would extinguish the General Fund
13 surplus by the end of the 2025-2026 fiscal year, triggering
14 the need to use one-time fund transfers from the Budget
15 Stabilization Reserve Fund to pay for the Commonwealth's
16 ongoing expenses.

17 (7) Rather than using the Commonwealth's General Fund
18 surplus and Budget Stabilization Reserve Fund balance to pay
19 for unsustainable spending through expanded programs that
20 will create ongoing increased spending, the General Assembly
21 should return a portion of the surplus and balance to the
22 resident individual taxpayers who paid the taxes that lead to
23 the surplus and balance.

24 Section 3. Definitions.

25 The following words and phrases when used in this act shall
26 have the meanings given to them in this section unless the
27 context clearly indicates otherwise:

28 "Program." The Taxpayer Dividend Program established by this
29 act.

30 "Resident individual." The term shall have the same meaning

1 given to it in section 301(p) of the act of March 4, 1971
2 (P.L.6, No.2), known as the Tax Reform Code of 1971.

3 "Surplus." As defined in section 1702-A(d) of the act of
4 April 9, 1929 (P.L.343, No.176), known as The Fiscal Code.

5 "Taxpayer dividend." The amount determined under section
6 7(b).

7 Section 4. Taxpayer Dividend Program.

8 (a) Establishment.--The Taxpayer Dividend Program is
9 established in the Treasury Department.

10 (b) Purpose.--The program shall refund to the Commonwealth's
11 taxpaying families a portion of the budget surpluses that have
12 accrued in the General Fund and the Budget Stabilization Reserve
13 Fund.

14 Section 5. Program funding.

15 (a) Source of funding.--For the 2024-2025 fiscal year, the
16 General Assembly may appropriate amounts from the General Fund
17 or the Budget Stabilization Reserve Fund to the Treasury
18 Department for the purpose of the program.

19 (b) Limitations.--

20 (1) The amount of the appropriation authorized under
21 subsection (a) from the General Fund may not exceed the
22 surplus available in the General Fund as of June 30, 2024.

23 (2) The amount of the appropriation authorized under
24 subsection (a) from the Budget Stabilization Reserve Fund
25 shall be subject to the following:

26 (i) The amount of the appropriation may not exceed
27 the difference between the amount of money in the Budget
28 Stabilization Reserve Fund as of June 30, 2024, and an
29 amount equal to 6% of the revenues of the General Fund
30 for the 2023-2024 fiscal year.

1 (ii) Notwithstanding section 1703-A(b) of the act of
2 April 9, 1929 (P.L.343, No.176), known as The Fiscal
3 Code, the appropriation shall be enacted though approval
4 of a separate appropriation bill by a vote of two-thirds
5 of the members elected to the Senate and the House of
6 Representatives.

7 (3) Any money appropriated under this subsection which
8 would otherwise lapse to the General Fund shall be
9 transferred to the Budget Stabilization Reserve Fund.

10 Section 6. Determination of eligible resident individuals.

11 No later than 45 days after enactment of an appropriation
12 under section 5(a), the Department of Revenue shall determine
13 the following:

14 (1) The name and last known address of every resident
15 individual who timely filed an individual annual return under
16 Article III of the act of March 4, 1971 (P.L.6, No.2), known
17 as the Tax Reform Code of 1971, for the taxable year
18 beginning January 1, 2023, and who timely paid any tax
19 liability due.

20 (2) The name and last known address of every resident
21 individual who was included in a timely filed joint annual
22 return under Article III of the Tax Reform Code of 1971 for
23 the taxable year beginning January 1, 2023, and who timely
24 paid any tax liability due.

25 (3) If known, the automated clearinghouse information
26 for each resident individual described under paragraphs (1)
27 and (2).

28 Section 7. Determination of amount of taxpayer dividend for
29 each resident individual.

30 (a) Determination.--No later than 15 days after the

1 determination under section 6, the Department of Revenue shall
2 determine the amount of the taxpayer dividend under subsection
3 (b).

4 (b) Calculation of taxpayer dividend.--The taxpayer dividend
5 shall be the lesser of the following:

- 6 (1) the total amount appropriated under section 5(a)
7 divided by the sum of the total number of resident
8 individuals described under section 6(1) and (2); or
9 (2) the amount of \$1,000.

10 Section 8. Transmittal of names, last known addresses and
11 payment information.

12 No later than 21 days after the determination under section
13 6, the Department of Revenue shall transmit to the State
14 Treasurer all of the following information:

15 (1) The name of each resident individual under section
16 6(1) and (2).

17 (2) The last known address for each resident individual
18 under section 6(1) and (2).

19 (3) The automated clearinghouse information under
20 section 6(3).

21 (4) The amount of the taxpayer dividend determined under
22 section 7(b).

23 Section 9. Payments.

24 (a) Duty of State Treasurer.--No later than 15 days after
25 receipt of the information transmitted under section 8, the
26 State Treasurer shall disburse to each resident individual under
27 section 8(1) a payment in the amount of the taxpayer dividend.

28 (b) Payment method.--

29 (1) Except as provided under paragraph (2), the taxpayer
30 dividend shall be paid to each resident individual under

1 section 6(1) and (2) in the form of a check mailed to the
2 resident individual's last known address.

3 (2) If the Department of Revenue transmits automated
4 clearinghouse information for a resident individual under
5 section 6(3), the State Treasurer shall pay the taxpayer
6 dividend through an automated clearinghouse transaction.

7 Section 10. Reports.

8 (a) Report required.--No later than March 31, 2025, or 90
9 days after the payments are made under section 9, whichever is
10 later, the Treasury Department, in consultation with the
11 Department of Revenue, shall publish a report on the program.

12 (b) Publication and transmission.--The State Treasurer shall
13 publish the report on the Treasury Department's publicly
14 accessible Internet website and shall transmit a copy of the
15 report to the chair and minority chair of the Appropriations
16 Committee of the Senate and the chair and minority chair of the
17 Appropriations Committee of the House of Representatives.

18 (c) Report contents.--The report shall include the following
19 information:

20 (1) The total dollar amount of taxpayer dividends paid
21 to resident individuals under this act.

22 (2) The total number of resident individuals who
23 received a payment under this act.

24 Section 11. Effective date.

25 This act shall take effect immediately.