
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2438 Session of
2018

INTRODUCED BY WHEATLEY, DALEY AND SCHWEYER, MAY 24, 2018

REFERRED TO COMMITTEE ON FINANCE, MAY 24, 2018

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 a teacher 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 XVII-B.1

17 TEACHER TAX CREDIT

18 Section 1701-B.1. Short title.

19 This article shall be known and may be cited as the Teacher
20 Tax Credit Act.

21 Section 1702-B.1. Definitions.

22 The following words and phrases when used in this article

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 "Certified teacher." A teacher who is certified by the
4 Commonwealth and currently employed as a teacher.

5 "Classroom expenses and supplies." The term includes books,
6 supplies, computers and related equipment, including related
7 software and services, other equipment and supplementary
8 materials.

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

10 "Tax credit." The teacher tax credit established under this
11 article.

12 "Taxpayer." An individual subject to tax under Article III.
13 Section 1703-B.1. Tax credit for teachers.

14 A taxpayer who is a certified teacher and incurs expenses for
15 the purchase of classroom expenses and supplies in a taxable
16 year may apply for a teacher tax credit as provided in this
17 article.

18 Section 1704-B.1. Limitation on credits.

19 (a) Limit.--The total amount of credits approved by the
20 department shall not exceed \$15,000,000 in any fiscal year.

21 (b) Amount of credit.--The amount of the tax credit under
22 this section may not exceed \$250 per applicant per tax year.

23 (c) Proportion of credit.--If the total amount of eligible
24 classroom expenses and supplies in a taxable year exceeds
25 \$15,000,000, the department shall equally divide the amount of
26 the tax credit per applicant.

27 Section 1705-B.1. Application.

28 A taxpayer may apply for a tax credit under this article in a
29 manner prescribed by the department.

30 Section 1706-B.1. Administration.

1 (a) Audits and assessments.--The department has the
2 following powers:

3 (1) To audit a taxpayer claiming a tax credit to
4 ascertain the validity of the amount claimed.

5 (2) To issue an assessment against a taxpayer for an
6 improperly issued tax credit. The procedures, collection,
7 enforcement and appeals of any assessment made under this
8 section shall be governed by Article II.

9 (b) Guidelines and regulations.--The department shall
10 develop written guidelines for the implementation of this
11 article. The guidelines shall be in effect until the department
12 promulgates regulations for the implementation of the provisions
13 of this article.

14 Section 2. This act shall apply to taxable years commencing
15 after December 31, 2018.

16 Section 3. This act shall take effect immediately.