
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 831 Session of
2013

INTRODUCED BY D. EVANS, V. BROWN, GAINNEY, HAGGERTY, SANTARSIERO,
KORTZ, K. BOYLE, BROWNLEE, O'BRIEN, YOUNGBLOOD, HARHAI,
DAVIDSON, WHEATLEY, MAHONEY, FABRIZIO, READSHAW, MULLERY,
GALLOWAY, PARKER AND P. DALEY, MARCH 11, 2013

REFERRED TO COMMITTEE ON FINANCE, MARCH 11, 2013

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 clean energy job creation tax
11 credit.

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

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

17 ARTICLE XVIII-E

18 CLEAN ENERGY JOB CREATION TAX CREDIT

19 Section 1801-E. Definitions.

20 The following words and phrases when used in this article
21 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Clean energy job." Employment in industries relating to the
3 field of renewable, alternative energies, including the
4 manufacture and operation of products used to generate
5 electricity and other forms of energy from alternative sources
6 that include hydrogen and fuel cell technology, landfill gas,
7 geothermal heating systems, solar heating systems, hydropower
8 systems, wind systems and biomass and biofuel systems.

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

11 (1) Employment of an indefinite duration of an
12 individual whose primary work activity is related directly to
13 the field of renewable, alternative energies and for which
14 the standard fringe benefits are paid by the taxpayer,
15 requiring a minimum of either:

16 (i) Thirty-five hours of an employee's time per week
17 for the entire normal year of the taxpayer's operations,
18 which "normal year" must consist of at least 48 weeks.

19 (ii) One thousand six hundred eighty hours per year.

20 (2) The term does not include a position created when a
21 job function is shifted from an existing location in this
22 Commonwealth.

23 "Tax credit." The Clean Energy Job Creation Tax Credit
24 established under this article.

25 Section 1802-E. Tax credit.

26 (a) Eligibility.--A taxpayer shall be eligible for a tax
27 credit for each new clean energy job created within this
28 Commonwealth by the taxpayer. The amount of the annual credit
29 for each new clean energy job shall be \$500 for each annual
30 salary that is \$50,000 or more. The credit shall be first

1 allowed for the taxable year in which the job has been filled
2 for no less than one year and for the four succeeding taxable
3 years, provided the job is continuously filled during the
4 respective taxable year. A taxpayer qualifying under this
5 section shall be allowed the credit for up to 350 clean energy
6 jobs.

7 (b) Term.--To qualify for the tax credit provided in
8 subsection (a), a taxpayer shall demonstrate that the clean
9 energy job was created by the taxpayer and that the job was
10 continuously filled in this Commonwealth during the respective
11 taxable year.

12 (c) Amount of credit and carryover.--The amount of the
13 credit may not exceed the total tax liability of the taxpayer
14 for the applicable taxes under subsection (d) for the taxable
15 year in which the clean energy job was continuously filled. If
16 the amount of credit allowed exceeds the taxpayer's tax
17 liability for the taxable year, the amount that exceeds the tax
18 liability may be carried over for credit against the income
19 taxes of the taxpayer in the next five taxable years or until
20 the total amount of the tax credit has been taken, whichever is
21 earlier.

22 (d) Applicable taxes.--A taxpayer may apply the tax credit
23 to 100% of the taxpayer's State corporate net income tax,
24 capital stock and franchise tax or the capital stock and
25 franchise tax of a shareholder of the taxpayer if the taxpayer
26 is a Pennsylvania S corporation, gross premiums tax, gross
27 receipts tax, bank and trust company shares tax, mutual thrift
28 institution tax, title insurance company shares tax, personal
29 income tax or the personal income tax of shareholders of a
30 Pennsylvania S corporation or a combination of the taxes.

1 Section 1803-E. List of qualifying jobs.

2 The department, in consultation with the Department of
3 Community and Economic Development, shall develop a detailed
4 definition and list of jobs that qualify for the tax credit and
5 shall post them on its Internet website.

6 Section 1804-E. Limitation.

7 A taxpayer may not be allowed a tax credit under this article
8 for a clean energy job for which the taxpayer is allowed a
9 Federal tax credit for investments in manufacturing facilities
10 for clean energy technologies that would foster investment and
11 job creation in clean energy manufacturing.

12 Section 1805-E. Construction.

13 Nothing in this article shall preclude a taxpayer who is
14 eligible for a tax credit under this article from qualifying
15 for the benefits under 12 Pa.C.S. Ch. 37 (relating to keystone
16 innovation zones) or the act of October 6, 1998 (P.L.705,
17 No.92), known as the Keystone Opportunity Zone, Keystone
18 Opportunity Expansion Zone and Keystone Opportunity Improvement
19 Zone Act.

20 Section 1806-E. Regulations.

21 The department shall promulgate regulations with regard to
22 application for and enforcement of this article, including, but
23 not limited to, acceptable forms and proof of jobs created.

24 Section 1807-E. Applicability.

25 This article shall apply to taxable years beginning on or
26 after January 1, 2013, and ending before January 1, 2018.

27 Section 2. This act shall take effect immediately.