
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 1060 Session of
2015

INTRODUCED BY SANTARSIERO, DEAN, R. BROWN, BRIGGS, MULLERY,
YOUNGBLOOD, DRISCOLL, CALTAGIRONE, BARRAR, DAVIS, LONGIETTI,
KIRKLAND, DiGIROLAMO, BULLOCK, MCGINNIS, SAVAGE, ROZZI,
McCARTER, M. QUINN, McNEILL, SCHWEYER, SCHLOSSBERG, BIZZARRO,
DERMODY, DeLISSIO, PASHINSKI AND FREEMAN, OCTOBER 7, 2016

REFERRED TO COMMITTEE ON FINANCE, OCTOBER 7, 2016

A RESOLUTION

1 Urging New Jersey Governor Chris Christie to reconsider the
2 termination of the Reciprocal Personal Income Tax Agreement
3 of 1977.

4 WHEREAS, The Reciprocal Personal Income Tax Agreement of 1977
5 provides that residents of the State of New Jersey and the
6 Commonwealth of Pennsylvania who work across state lines pay
7 personal income tax only to the state in which they reside; and

8 WHEREAS, On June 30, 2016, New Jersey Governor Chris Christie
9 issued Executive Order No. 209, which directed state officials
10 to determine the steps necessary to withdraw from the Reciprocal
11 Personal Income Tax Agreement of 1977 and prepare an estimate of
12 the effects on the State of New Jersey's revenue collections;
13 and

14 WHEREAS, Under the Reciprocal Personal Income Tax Agreement
15 of 1977, the Governor of the State of New Jersey or the Governor
16 of the Commonwealth of Pennsylvania may withdraw from the
17 agreement provided that he delivers 120 days' notice to the

1 adjoining state, which does not require the approval of either
2 state's legislature; and

3 WHEREAS, On September 2, 2016, Governor Christie announced
4 his intent to terminate the Reciprocal Personal Income Tax
5 Agreement of 1977, effective January 1, 2017; and

6 WHEREAS, It is estimated that the State of New Jersey would
7 generate \$180 million in revenue a year from residents of the
8 Commonwealth of Pennsylvania who would be required to pay
9 personal income tax in the State of New Jersey as a result of
10 ending the agreement; and

11 WHEREAS, The Commonwealth of Pennsylvania's income tax rate
12 is 3.07% regardless of income, whereas the State of New Jersey's
13 graduated income tax rate ranges from 1.4% for individuals
14 earning \$20,000 or less to 8.97% for individuals earning
15 \$500,000 and over; and

16 WHEREAS, Abandoning the agreement will force Pennsylvanians
17 who work in the State of New Jersey and who earn more than
18 \$35,000 to pay additional taxes to their state of employment;
19 and

20 WHEREAS, The termination of the agreement will negatively
21 affect 125,000 Pennsylvanians who work in the State of New
22 Jersey and will cost the Commonwealth of Pennsylvania \$5 million
23 annually in addition to hurting mutual interests in creating
24 jobs and opportunity; therefore be it

25 RESOLVED, That the House of Representatives of the
26 Commonwealth of Pennsylvania urge New Jersey Governor Chris
27 Christie to reconsider ending the longstanding Reciprocal
28 Personal Income Tax Agreement of 1977 as it would significantly
29 impact the livelihood of thousands of Pennsylvanians; and be it
30 further

1 RESOLVED, That the administration and the legislature of the
2 State of New Jersey consider cost-saving alternatives that do
3 not negatively impact Pennsylvania workers; and be it further

4 RESOLVED, That copies of this resolution be transmitted to
5 New Jersey Governor Chris Christie and to the President of the
6 New Jersey Senate, the Speaker of the New Jersey General
7 Assembly and the Majority and Minority Leaders of each house of
8 the New Jersey Legislature.