

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1181 Session of
2024

INTRODUCED BY YAW, MILLER, CULVER, BROWN, BOSCOLA, COSTA, SAVAL,
KANE, ARGALL, SCHWANK, STEFANO, COMITTA, TARTAGLIONE,
BREWSTER, VOGEL, HAYWOOD, J. WARD, HUGHES, FLYNN, BARTOLOTTA,
PENNYCUICK, KEARNEY, CAPPELLETTI, LAUGHLIN, BAKER, ROBINSON
AND DILLON, MAY 17, 2024

REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,
MAY 17, 2024

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 neighborhood assistance tax credit, further
11 providing for tax credit and for grant of tax credit.

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

14 Section 1. Sections 1904-A(c) and 1905-A(a) of the act of
15 March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
16 1971, are amended to read:

17 Section 1904-A. Tax Credit.--* * *

18 (c) The total amount of tax credit granted for programs
19 approved under this act shall not exceed [thirty-six million
20 dollars (\$36,000,000)] seventy-two million dollars (\$72,000,000)

1 of tax credit in any fiscal year.

2 * * *

3 Section 1905-A. Grant of Tax Credit.--(a) The Department of
4 Revenue shall grant a tax credit against any tax due under
5 Article III, IV, VI, VII, VIII, IX or XV of this act, or any tax
6 substituted in lieu thereof in an amount which shall not exceed
7 [~~fifty-five~~] sixty-five per cent of the total amount contributed
8 during the taxable year by a business firm or twenty-five per
9 cent of qualified investments by a private company in programs
10 approved pursuant to section 1904-A of this act: Provided, That
11 a tax credit of up to [~~seventy-five~~] ninety per cent of the
12 total amount contributed during the taxable year by a business
13 firm or up to thirty-five per cent of the amount of qualified
14 investments by a private company may be allowed for investment
15 in programs where activities fall within the scope of special
16 program priorities as defined with the approval of the Governor
17 in regulations promulgated by the secretary, and Provided
18 further, That a tax credit of up to [~~seventy-five~~] ninety per
19 cent of the total amount contributed during the taxable year by
20 a business firm in comprehensive service projects with five-year
21 commitments and up to [~~eighty~~] ninety-five per cent of the total
22 amount contributed during the taxable year by a business firm in
23 comprehensive service projects with six-year or longer
24 commitments shall be granted, and Provided further, That a tax
25 credit of up to [~~seventy-five~~] ninety per cent of the total
26 amount contributed during the taxable year by a business firm in
27 veterans' housing assistance approved under section 1904-A(b.3)
28 shall be granted. Such credit shall not exceed [~~five hundred~~
29 thousand dollars (\$500,000)] one million dollars (\$1,000,000)
30 annually for contributions or investments to fewer than four

1 projects or [~~one million two hundred fifty thousand dollars~~
2 ~~(\$1,250,000)] two million five hundred thousand dollars
3 (\$2,500,000) annually for contributions or investments to four
4 or more projects. No tax credit shall be granted to any bank,
5 bank and trust company, insurance company, trust company,
6 national bank, savings association, mutual savings bank or
7 building and loan association for activities that are a part of
8 its normal course of business. Any tax credit not used in the
9 period the contribution or investment was made may be carried
10 over for the next five succeeding calendar or fiscal years until
11 the full credit has been allowed. A business firm shall not be
12 entitled to carry back or obtain a refund of an unused tax
13 credit. The total amount of all tax credits allowed pursuant to
14 this act shall not exceed [~~thirty-six million dollars~~
15 ~~(\$36,000,000)] seventy-two million dollars (\$72,000,000) in any
16 one fiscal year. Of that amount, two million dollars
17 (\$2,000,000) shall be allocated exclusively for pass-through
18 entities. However, if the total amounts allocated to either the
19 group of applicants, exclusive of pass-through entities, or the
20 group of pass-through entity applicants is not approved in any
21 fiscal year, the unused portion shall become available for use
22 by the other group of qualifying taxpayers.~~~~

23 * * *

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