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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1214 Session of  
2018

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INTRODUCED BY KILLION, BROWNE, BARTOLOTTA, HUGHES, RESCHENTHALER  
AND WARD, JUNE 22, 2018

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REFERRED TO FINANCE, JUNE 22, 2018

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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 entertainment production tax credit, further  
11 providing for carryover, carryback and assignment of credit.

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

14 Section 1. Section 1714-D(f) of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended  
16 and the section is amended by adding a subsection to read:

17 Section 1714-D. Carryover, carryback and assignment of credit.

18 \* \* \*

19 (f) Purchasers and assignees.--Except as [set forth in  
20 subsection (g)] provided in subsections (g) and (h), the  
21 following apply:

22 (1) The purchaser or assignee of all or a portion of a

1 tax credit under subsection (e) shall immediately claim the  
2 credit in the taxable year in which the purchase or  
3 assignment is made.

4 (2) The amount of the tax credit that a purchaser or  
5 assignee may use against any one qualified tax liability may  
6 not exceed 50% of such qualified tax liability for the  
7 taxable year.

8 (3) The purchaser or assignee may not carry forward,  
9 carry back or obtain a refund of or sell or assign the tax  
10 credit.

11 (4) The purchaser or assignee shall notify the  
12 Department of Revenue of the seller or assignor of the tax  
13 credit in compliance with procedures specified by the  
14 Department of Revenue.

15 \* \* \*

16 (h) Full utilization of tax credits.--A purchaser or  
17 assignee of all or a portion of a tax credit under subsection  
18 (e) that is included in the same Federal consolidated tax return  
19 as the taxpayer under subsection (a), as defined under sections  
20 1501 and 1502 of the Internal Revenue Code of 1954 (68A Stat. 3,  
21 26 U.S.C. §§ 1501 and 1502), may utilize the film tax credit to  
22 the same extent allowable for the taxpayer as specified in  
23 subsections (a), (b) and (c).

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