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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 240 Session of  
2013

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INTRODUCED BY SMITH, KASUNIC, FONTANA, YUDICHAK, BREWSTER,  
WASHINGTON, FERLO, WAUGH, TARTAGLIONE, FARNESE AND COSTA,  
FEBRUARY 7, 2013

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REFERRED TO FINANCE, FEBRUARY 7, 2013

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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," providing for an Energy Star-related glass or  
11 window technologies tax credit.

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

14 Section 1. Article XVIII-C heading of the act of March 4,  
15 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, added  
16 July 9, 2008 (P.L.922, No.66), is amended to read:

17 ARTICLE XVIII-C

18 [(RESERVED)]

19 ENERGY STAR-RELATED GLASS

20 OR WINDOW TECHNOLOGIES TAX CREDIT

21 Section 2. The act is amended by adding sections to read:

22 Section 1801-C. Definitions.

1 The following words and phrases when used in this article  
2 shall have the meanings given to them in this section unless the  
3 context clearly indicates otherwise:

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

5 "Energy Star-related glass or window technologies tax credit"  
6 or "tax credit." The credit provided under this article.

7 "Energy Star-related glass or window technology." A glass or  
8 window that has been certified as in compliance with and  
9 qualifies as an Energy Star product pursuant to the  
10 Environmental Protection Agency and the Department of Energy,  
11 Energy Star Program and bears the Energy Star label.

12 "Qualified tax liability." The liability for taxes imposed  
13 under Article III, IV, V or VI. The term does not include any  
14 tax withheld by an employer from an employee under Article III.

15 "Taxpayer." An entity subject to tax under Article III, IV,  
16 V or VI.

17 Section 1802-C. Eligible applicants.

18 A taxpayer that manufactures Energy Star-related glass or  
19 window technologies may apply for the Energy Star-related glass  
20 or window technologies tax credit as provided under this  
21 article. By February 1 of each year, a taxpayer must submit an  
22 application to the department for the amount of investment in  
23 the manufacturing of Energy Star-related glass or window  
24 technologies that was made in the taxable year that ended the  
25 prior calendar year.

26 Section 1803-C. Award of tax credits.

27 A taxpayer that is qualified under section 1802-C may receive  
28 an Energy Star-related glass or window technologies tax credit  
29 for the taxable year in an amount equal to 20% of the total  
30 amount of all capital, operation and maintenance costs paid for

1 Energy Star-related glass or window technologies in the taxable  
2 year to be applied against the taxpayer's qualified tax  
3 liability.

4 Section 1804-C. Carryover and carryback of credit.

5 (a) Carryover.--If the taxpayer cannot use the entire amount  
6 of the Energy Star-related glass or window technologies tax  
7 credit for the taxable year in which the tax credit is first  
8 approved, the excess may be carried over to succeeding taxable  
9 years and used as a credit against the qualified tax liability  
10 of the taxpayer for those taxable years. Each time that the tax  
11 credit is carried over to a succeeding taxable year, it is to be  
12 reduced by the amount that was used as a credit during the  
13 immediately preceding taxable year. The tax credit may be  
14 carried over and applied to succeeding taxable years for no more  
15 than five taxable years following the first taxable year for  
16 which the taxpayer was entitled to claim the tax credit.

17 (b) Application.--An Energy Star-related glass or window  
18 technologies tax credit approved by the department in a taxable  
19 year first shall be applied against the taxpayer's qualified tax  
20 liability for the current taxable year as of the date on which  
21 the tax credit was approved before the tax credit is applied  
22 against any tax liability under subsection (a).

23 (c) Carryback.--A taxpayer is not entitled to carry back or  
24 obtain a refund of an unused Energy Star-related glass or window  
25 technologies tax credit.

26 Section 1805-C. Availability of tax credits.

27 Each fiscal year, \$10,000,000 in tax credits shall be made  
28 available to the department and may be awarded by the department  
29 in accordance with this article.

30 Section 1806-C. Regulations.

1       The department shall promulgate regulations necessary for the  
2 implementation and administration of this article.

3       Section 3. The addition of sections 1801-C, 1802-C, 1803-C,  
4 1804-C, 1805-C and 1806-C of the act shall apply to tax years  
5 beginning after December 31, 2012.

6       Section 4. This act shall take effect immediately.