

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 59 Session of 2015

INTRODUCED BY GREENLEAF, STACK, SCHWANK AND TARTAGLIONE,  
JANUARY 14, 2015

REFERRED TO FINANCE, JANUARY 14, 2015

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 personal income tax, further providing for  
11 classes of income and for spousal income tax returns; and  
12 abrogating regulations.

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

15 Section 1. Section 303 of the act of March 4, 1971 (P.L.6,  
16 No.2), known as the Tax Reform Code of 1971, is amended by  
17 adding a subsection to read:

18 Section 303. Classes of Income.--\* \* \*

19 (a.9) A taxpayer may offset a gain in one class of income  
20 with a loss in another class of income. Notwithstanding 1  
21 Pa.C.S. § 1937(a) (relating to references to statutes and  
22 regulations), this subsection shall not affect a change in any  
23 of the following provisions as they exist on June 30, 2013:

1 (1) The definitions of "earned income" and "net profits" in  
2 section 501 of the act of December 31, 1965 (P.L.1257, No.511),  
3 known as "The Local Tax Enabling Act."

4 (2) The definition of "personal income" in section 302 of  
5 the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known  
6 as the "Taxpayer Relief Act."

7 \* \* \*

8 Section 2. Section 331(b) of the act, added August 31, 1971  
9 (P.L.362, No.93), is amended to read:

10 Section 331. Returns of Married Individuals, Deceased or  
11 Disabled Individuals and Fiduciaries.--\* \* \*

12 (b) If the income tax liabilities of husband and wife are  
13 determined on a joint return, [their] all of the following  
14 apply:

15 (1) Their tax liabilities shall be joint and several.

16 (2) A spouse may offset a gain in a class of income with a  
17 loss of the other spouse in the same class of income.

18 (3) A spouse may offset a gain in one class of income with a  
19 loss of the other spouse in another class of income.

20 \* \* \*

21 Section 3. The following provisions of 61 Pa. Code are  
22 abrogated:

23 (1) Section 115.5(d).

24 (2) Section 121.15(c) and (d).

25 Section 4. The following provisions shall apply to taxable  
26 years beginning after December 31, 2014:

27 (1) The addition of subsection 303(a.9) of the act.

28 (2) The amendment of section 331(b) of the act.

29 (3) Section 3 of this act.

30 Section 5. This act shall take effect immediately.