

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 654 Session of 2023

INTRODUCED BY BARTOLOTTA, YAW, HUTCHINSON, PENNYCUICK, ROTHMAN, BAKER, DUSH, VOGEL AND SCHWANK, MAY 2, 2023

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, MARCH 19, 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 personal income tax, further providing for
11 classes of income; AND ESTABLISHING THE PUBLIC TRANSPORTATION <--
12 TRUST FUND.

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.11) A person~~ (A.11) (1) EXCEPT AS PROVIDED UNDER <--
20 PARAGRAPH (2), A TAXPAYER WHO HAS PARTIAL OR FULL OWNERSHIP OF
21 LAND ON WHICH TAXABLE INCOME IS GENERATED FROM THE MINING,
22 EXTRACTION OR PRODUCTION OF OIL, GAS, ORES, MINERALS OR OTHER

1 NATURAL RESOURCES OF A MINE, OIL OR GAS WELL OR OTHER NATURAL  
2 DEPOSIT OCCURS may claim a deduction for depletion of a mine,  
3 oil and gas well and other natural deposit in accordance with  
4 the provisions of sections 611, 612, 613, 613A, 614, 616 and 617  
5 of the Internal Revenue Code of 1986 (Public Law 99-514, 26  
6 U.S.C. § 611 et seq.) in effect on the effective date of this  
7 subsection PARAGRAPH. <--

8 (2) ONCE A TAXPAYER HAS RECOVERED THE ORIGINAL BASIS IN THE <--  
9 PROPERTY, THE TAXPAYER IS NO LONGER ELIGIBLE FOR THE DEDUCTION  
10 UNDER PARAGRAPH (1).

11 \* \* \*

12 SECTION 2. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ: <--

13 ARTICLE XXIII-A  
14 PUBLIC TRANSPORTATION TRUST FUND

15 SECTION 2301-A. TRANSFERS TO PUBLIC TRANSPORTATION TRUST FUND.

16 NOTWITHSTANDING 74 PA.C.S. § 1506(C) (1) (RELATING TO FUND),  
17 ~~6.4%~~ 6.15% OF THE AMOUNT COLLECTED UNDER ARTICLE II SHALL BE <--  
18 DEPOSITED INTO THE PUBLIC TRANSPORTATION TRUST FUND ANNUALLY BY  
19 THE 20TH DAY OF EACH MONTH FOR THE PRECEDING MONTH.

20 SECTION 2302-A. ANNUAL INCREASE.

21 NOTWITHSTANDING 74 PA.C.S. § 1513(C) (3) AND (D) (2) (RELATING  
22 TO OPERATING PROGRAM), THE TOTAL FINANCIAL ASSISTANCE PROVIDED  
23 TO EACH LOCAL TRANSPORTATION ORGANIZATION MAY EXCEED 20% OF THE  
24 PRIOR YEAR ALLOCATION AND THE SECRETARY OF TRANSPORTATION MAY  
25 ADJUST AND HOLD HARMLESS THE AMOUNT OF ANNUAL INCREASE IN LOCAL  
26 MATCH UNDER 74 PA.C.S. § 1513(D) (2) FOR A PERIOD OF FIVE FISCAL  
27 YEARS BEGINNING IN FISCAL YEAR 2024-2025.

28 Section ~~2~~ 3. The addition of section 303(a.11) of the act <--  
29 shall apply to tax years beginning after December 31, ~~2022~~ 2023. <--

30 ~~Section 3. This act shall take effect immediately.~~ <--

1 SECTION 4. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

<--

2 (1) THE ADDITION OF ARTICLE XXIII-A OF THE ACT SHALL  
3 TAKE EFFECT JULY 1, 2024.

4 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT  
5 IMMEDIATELY.