

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1232 Session of
2019INTRODUCED BY DUNBAR, MILLARD, WHEELAND, GROVE, PICKETT, GAYDOS,
LAWRENCE AND MENTZER, APRIL 16, 2019SENATOR BROWNE, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, MARCH 25, 2020

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled, ~~as amended,~~ <--
2 ~~as amended,~~ "An act relating to the finances of the State
3 government; providing for cancer control, prevention and
4 research, for ambulatory surgical center data collection, for
5 the Joint Underwriting Association, for entertainment
6 business financial management firms, for private dam
7 financial assurance and for reinstatement of item vetoes;
8 providing for the settlement, assessment, collection, and
9 lien of taxes, bonus, and all other accounts due the
10 Commonwealth, the collection and recovery of fees and other
11 money or property due or belonging to the Commonwealth, or
12 any agency thereof, including escheated property and the
13 proceeds of its sale, the custody and disbursement or other
14 disposition of funds and securities belonging to or in the
15 possession of the Commonwealth, and the settlement of claims
16 against the Commonwealth, the resettlement of accounts and
17 appeals to the courts, refunds of moneys erroneously paid to
18 the Commonwealth, auditing the accounts of the Commonwealth
19 and all agencies thereof, of all public officers collecting
20 moneys payable to the Commonwealth, or any agency thereof,
21 and all receipts of appropriations from the Commonwealth,
22 authorizing the Commonwealth to issue tax anticipation notes
23 to defray current expenses, implementing the provisions of
24 section 7(a) of Article VIII of the Constitution of
25 Pennsylvania authorizing and restricting the incurring of
26 certain debt and imposing penalties; affecting every
27 department, board, commission, and officer of the State
28 government, every political subdivision of the State, and
29 certain officers of such subdivisions, every person,
30 association, and corporation required to pay, assess, or
31 collect taxes, or to make returns or reports under the laws
32 imposing taxes for State purposes, or to pay license fees or

1 other moneys to the Commonwealth, or any agency thereof,
2 every State depository and every debtor or creditor of the
3 Commonwealth," PROVIDING FOR EMERGENCY FINANCE AND TAX <--
4 PROVISIONS; in additional special funds, providing for COVID- <--
5 19 RESPONSE TRANSFERS AND FOR the Enhanced Revenue Collection
6 Account; in 2018-2019 budget implementation, further
7 providing for Department of Revenue; and making an editorial
8 change.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. The heading of Article XVII A.1 of the act of <--~~
12 ~~April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is <--~~
13 ~~amended to read:~~

14 SECTION 1. THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN <--
15 AS THE FISCAL CODE, IS AMENDED BY ADDING AN ARTICLE TO READ:

16 ARTICLE I-A

17 EMERGENCY FINANCE AND TAX PROVISIONS

18 SECTION 101-A. DECLARATION OF POLICY.

19 THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS:

20 (1) THERE ARE CIRCUMSTANCES UNDER WHICH IT IS IMPOSSIBLE
21 TO EFFECTIVELY COMPLY WITH LAW RELATING TO STATE FINANCE OR
22 STATE TAX.

23 (2) WHEN CIRCUMSTANCES UNDER PARAGRAPH (1) ARISE, IT IS
24 NECESSARY FOR COMMONWEALTH AGENCIES TO EXERCISE TEMPORARY
25 POWERS AND DUTIES SET FORTH IN THIS ARTICLE.

26 SECTION 102-A. DEPARTMENT OF REVENUE.

27 (A) SCOPE.--THIS SECTION PROVIDES TEMPORARY AUTHORITY TO THE
28 DEPARTMENT OF REVENUE TO DEAL WITH STATE TAXATION DURING THE
29 STATE OF DISASTER EMERGENCY ANNOUNCED BY THE GOVERNOR'S MARCH 6,
30 2020, PROCLAMATION OF DISASTER EMERGENCY.

31 (B) FILING AND PAYMENT DEADLINES.--DURING THE STATE OF
32 DISASTER EMERGENCY UNDER SUBSECTION (A), ALL OF THE FOLLOWING
33 APPLY:

34 (1) THE DEPARTMENT SHALL EXTEND FILING AND PAYMENT

1 DEADLINES UNDER SECTIONS 325(D), (E), (F) AND (H), 326,
2 330.1(B) AND 335(C)(1), (D), (E) AND (F)(1) OF THE ACT OF
3 MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF
4 1971, AND RELATED STATUTORY AND REGULATORY PROVISIONS SO THAT
5 THE DEADLINES COINCIDE WITH THE FILING DEADLINE FOR A TAX
6 RETURN AND PAYMENT UNDER SECTION 330 OF THE TAX REFORM CODE
7 OF 1971.

8 (2) THE DEPARTMENT SHALL DISREGARD THE PERIOD AFTER
9 APRIL 14, 2020, AND BEFORE JULY 16, 2020, IN THE CALCULATION
10 OF INTEREST, A PENALTY OR AN ADDITION TO TAX FOR FAILURE TO
11 MEET THE EXTENDED DEADLINE UNDER PARAGRAPH (1).

12 (C) EXPIRATION.--THIS SECTION SHALL EXPIRE JULY 31, 2020.
13 SECTION 103-A. DEPARTMENT OF COMMUNITY AND ECONOMIC
14 DEVELOPMENT.

15 (A) SCOPE.--THIS SECTION PROVIDES TEMPORARY AUTHORITY TO THE
16 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO DEAL WITH
17 LOCAL TAXATION DURING THE STATE OF DISASTER EMERGENCY ANNOUNCED
18 BY THE GOVERNOR'S MARCH 6, 2020, PROCLAMATION OF DISASTER
19 EMERGENCY.

20 (B) LOCAL TAXATION.--DURING THE STATE OF DISASTER EMERGENCY
21 UNDER SUBSECTION (A), THE DEPARTMENT SHALL COORDINATE WITH THE
22 GOVERNING BODIES AND LOCAL AGENCIES OF POLITICAL SUBDIVISIONS TO
23 DO ALL OF THE FOLLOWING:

24 (1) EXTEND FILING AND PAYMENT DEADLINES FOR LOCAL TAXES
25 UNDER CHAPTER 5 OF THE ACT OF DECEMBER 31, 1965 (P.L.1257,
26 NO.511), KNOWN AS THE LOCAL TAX ENABLING ACT, AND RELATED
27 STATUTORY PROVISIONS, ORDINANCES AND RESOLUTIONS SO THAT THE
28 DEADLINES COINCIDE WITH THE FILING DEADLINE FOR A TAX RETURN
29 AND PAYMENT UNDER SECTION 330 OF THE ACT OF MARCH 4, 1971
30 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

1 ANY OF THE FUNDS.

2 (D) AUTHORIZATION.--THE SECRETARY OF THE BUDGET SHALL ONLY
3 BE AUTHORIZED TO MAKE TRANSFERS UNDER SUBSECTION (A) TO THE
4 EXTENT THAT FUNDING AUTHORIZED BY THE FEDERAL GOVERNMENT AND THE
5 GOVERNOR'S DISASTER PROCLAMATION ARE INSUFFICIENT TO MEET THE
6 NEEDS OF THE COMMONWEALTH'S COVID-19 RESPONSE.

7 (E) NOTIFICATION.--THE SECRETARY OF THE BUDGET SHALL PROVIDE
8 NOTIFICATION TO THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
9 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRPERSON AND
10 MINORITY CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF THE
11 HOUSE OF REPRESENTATIVES 24 HOURS PRIOR TO MAKING ANY TRANSFERS
12 UNDER SUBSECTION (A). THE NOTIFICATION SHALL INCLUDE THE NAME OF
13 THE SPECIAL FUND AND THE DOLLAR AMOUNT TO BE TRANSFERRED.

14 (F) REPORT.--BEGINNING JUNE 1, 2020, AND THE FIRST DAY OF
15 EACH MONTH THEREAFTER, THE SECRETARY OF THE BUDGET SHALL PROVIDE
16 A REPORT DETAILING ALL SPENDING RELATED TO THE COVID-19 RESPONSE
17 THE COMMONWEALTH HAS MADE DURING THE PRECEDING MONTH, INCLUDING
18 ANY FUNDING MADE AVAILABLE THROUGH THE FEDERAL GOVERNMENT, THE
19 GOVERNOR'S DISASTER PROCLAMATION, AN AGENCY BUDGET OR THE
20 TRANSFERS UNDER THIS SECTION. THE REPORT SHALL INCLUDE THE
21 RECIPIENT, THE DOLLAR AMOUNT AND A DETAILED EXPLANATION OF THE
22 PURPOSE OF THE SPENDING. THE SECRETARY OF THE BUDGET SHALL
23 PROVIDE THE REPORT TO THE MAJORITY LEADER AND MINORITY LEADER OF
24 THE SENATE, THE MAJORITY LEADER AND MINORITY LEADER OF THE HOUSE
25 OF REPRESENTATIVES, THE CHAIRPERSON AND MINORITY CHAIRPERSON OF
26 THE APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRPERSON
27 AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF THE
28 HOUSE OF REPRESENTATIVES.

29 (G) EXPIRATION.--THE AUTHORITY TO TRANSFER FUNDS UNDER
30 SUBSECTION (A) SHALL EXPIRE ON SEPTEMBER 30, 2020.

1 (H) DEFINITIONS.--AS USED IN THIS SECTION, THE TERM "COVID-
2 19" SHALL MEAN THE NOVEL CORONAVIRUS AS IDENTIFIED IN THE
3 GOVERNOR'S PROCLAMATION OF DISASTER EMERGENCY ISSUED ON MARCH 6,
4 2020.

5 SECTION 1736-A.1. EXTENSION OF TEMPORARY REGULATIONS.

6 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE TEMPORARY
7 REGULATIONS AUTHORIZED AND PUBLISHED UNDER SECTIONS 1107 AND
8 2004 OF THE ACT OF APRIL 17, 2016 (P.L.84, NO.16), KNOWN AS THE
9 MEDICAL MARIJUANA ACT, SHALL REMAIN IN EFFECT AND SHALL NOT
10 EXPIRE UNTIL NOVEMBER 20, 2021, OR UPON THE PUBLICATION OF THE
11 FINAL-FORM REGULATIONS BY THE DEPARTMENT OF HEALTH, WHICHEVER IS
12 SOONER.

13 Section 2. Article XVII-A.1 of the act is amended by adding
14 a subarticle to read:

15 SUBARTICLE G

16 ENHANCED REVENUE COLLECTION ACCOUNT

17 Section 1761-A.1. Definitions.

18 The following words and phrases when used in this subarticle
19 shall have the meanings given to them in this section unless the
20 context clearly indicates otherwise:

21 "Account." The Enhanced Revenue Collection Account continued
22 under section 1762-A.1.

23 "Department." The Department of Revenue of the Commonwealth.
24 Section 1762-A.1. Enhanced Revenue Collection Account.

25 The Enhanced Revenue Collection Account is continued as a
26 restricted account within the General Fund. Revenues collected
27 and the amount of refunds avoided as a result of expanded tax
28 return reviews and tax collection activities by the department
29 shall be deposited into the account.

30 Section 1763-A.1. Use of account.

1 (a) Appropriation.--The General Assembly may appropriate
2 money in the account to the department to fund the costs
3 associated with expanded tax return reviews and tax collection
4 activities.

5 (b) Return.--Except for amounts appropriated under
6 subsection (a), money in the account shall be returned
7 proportionately to the General Fund revenue or refund accounts
8 that were the source of the money no later than the 28th day of
9 each month of the fiscal year.

10 Section 1764-A.1. Report.

11 The department shall issue a report to the Governor, the
12 chairperson and minority chairperson of the Appropriations
13 Committee of the Senate and the chairperson and minority
14 chairperson of the Appropriations Committee of the House of
15 Representatives by June 15, 2020, and each June 1 thereafter, <--
16 with the following information:

17 (1) A detailed breakdown of the department's
18 administrative costs in implementing expanded tax return
19 reviews and tax collection activities.

20 (2) The amount of revenue collected and the amount of
21 refunds avoided as a result of the expanded tax return
22 reviews and tax collection activities, including the type of
23 tax generating the revenue and avoided refunds.

24 Section 3. Section 1730-H of the act, repealed and added
25 June 22, 2018 (P.L.281, No.42) AND AMENDED JUNE 28, 2019 <--
26 (P.L.173, NO.20), is ~~amended~~ REENACTED to read: <--
27 Section 1730-H. Department of Revenue.

28 The following apply to appropriations for the Department of
29 Revenue:

30 (1) The Enhanced Revenue Collection Account shall

1 continue as a restricted account within the General Fund
2 through fiscal year ~~{2019-2020}~~ ~~2018-2019~~ 2018-2019. Revenues <--
3 collected and the amount of refunds avoided as a result of
4 expanded tax return reviews and tax collection activities
5 shall be deposited into the restricted account. The following
6 shall apply:

7 (i) Of the money transferred under this paragraph in
8 the account, for fiscal years 2018-2019 ~~{and 2019-2020}~~, <--
9 up to \$30,000,000 is appropriated to the department to
10 fund the costs associated with expanded tax return
11 reviews and tax collection activities. The balance of the
12 money in the account shall be returned proportionately to
13 the General Fund revenue or refund accounts that were the
14 source of the money no later than the 28th day of each
15 month of the fiscal year.

16 (ii) The department shall issue a report to the
17 Governor, the chairperson and the minority chairperson of
18 the Appropriations Committee of the Senate and the
19 chairperson and minority chairperson of the
20 Appropriations Committee of the House of Representatives
21 by June 1, 2019, ~~{and by each June 1 thereafter,}~~ with <--
22 the following information:

23 (A) A detailed breakdown of the department's
24 administrative costs in implementing expanded tax
25 return reviews and tax collection activities.

26 (B) The amount of revenue collected and the
27 amount of refunds avoided as a result of the expanded
28 tax return reviews and tax collection activities,
29 including the type of tax generating the revenue and
30 avoided refunds.

1 (2) (Reserved).

2 Section 4. This act shall take effect ~~July 1, 2019, or~~ <--
3 ~~immediately, whichever occurs later.~~ AS FOLLOWS: <--

4 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
5 IMMEDIATELY:

6 (I) THE ADDITION OF ARTICLE I-A OF THE ACT.

7 (II) THIS SECTION.

8 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT JULY 1,
9 2019, OR IMMEDIATELY, WHICHEVER OCCURS LATER.