
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2229 Session of
2024

INTRODUCED BY CEPHAS, HILL-EVANS, GIRAL, ABNEY, GALLAGHER,
SOLOMON, SCHLOSSBERG, HANBIDGE, MADDEN, MAYES, BOYD, PARKER,
SANCHEZ, DALEY, GREEN, CEPEDA-FREYTIZ, CERRATO, OTTEN AND
KENYATTA, APRIL 24, 2024

REFERRED TO COMMITTEE ON FINANCE, APRIL 24, 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," providing for work opportunity tax credit.

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

13 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as
14 the Tax Reform Code of 1971, is amended by adding an article to
15 read:

16 ARTICLE XVII-M

17 WORK OPPORTUNITY TAX CREDIT

18 Section 1701-M. Scope of article.

19 This article relates to work opportunity tax credits.

20 Section 1702-M. Definitions.

21 The following words and phrases when used in this article

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

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

4 "Federal Work Opportunity Tax Credit." The Federal tax
5 credit under 26 U.S.C. Subt. A Ch. 1 Subch. A Pt. IV Subpt. F
6 (relating to rules for computing work opportunity credit).

7 "Individual with barriers to employment." A member of a
8 targeted group under 26 U.S.C. § 51(d)(1) (relating to amount of
9 credit).

10 "Qualified tax liability." The liability for taxes imposed
11 under Article III, IV, VII, VIII, IX or XV.

12 "Qualified taxpayer." An employer that qualifies for the
13 Federal Work Opportunity Tax Credit.

14 "Tax credit." The work opportunity tax credit provided for
15 under this article.

16 Section 1703-M. Work opportunity tax credit.

17 (a) Claiming the credit.--A qualified taxpayer may claim a
18 tax credit against the qualified taxpayer's qualified tax
19 liability for wages paid or incurred by the qualified taxpayer
20 during the taxable year to an individual with barriers to
21 employment who is employed in this Commonwealth.

22 (b) Amount.--The tax credit may be claimed in an amount
23 equal to 50% of the Federal Work Opportunity Tax Credit properly
24 claimed for the taxable year by a qualified taxpayer on the
25 qualified taxpayer's Federal income tax return, excluding any
26 amount carried back or forward from another taxable year in
27 accordance with 26 U.S.C. § 39 (relating to carryback and
28 carryforward of unused credits).

29 Section 1704-M. Carryover, carryback, refund and assignment of
30 credit.

1 A qualified taxpayer may not carryover, carryback or obtain a
2 refund of or sell or assign a tax credit.

3 Section 1705-M. Report to General Assembly.

4 On or before October 1, 2026, and each October 1 thereafter,
5 the department shall submit a report on the tax credit to the
6 General Assembly. The report shall include the following
7 information for the prior fiscal year:

8 (1) The number and amount of tax credits awarded.

9 (2) The qualified taxpayers that were awarded tax
10 credits.

11 (3) The amount of tax credits issued to each qualified
12 taxpayer.

13 Section 1706-M. Guidelines.

14 The department shall develop and publish guidelines necessary
15 to implement this article.

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