

FISCAL NOTE

May 9, 2022

Bill No:	SB 349	Printer's No:	352	Sponsor:	Hutchinson
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COST / (SAVINGS)

Fund (s)	2021-22	2022-23
General Fund	\$2.9 Million	\$17.9 Million

SUMMARY: SB 349 amends the Tax Reform Code to allow for more tax deductions for property.

ANALYSIS: SB 349 amends the Tax Reform Code to allow Section 179 property deductions of up to \$1,050,000 to reflect what is currently allowable within the Internal Revenue Code.

This act shall take effect in 60 days.

FISCAL IMPACT: Department of Revenue (DOR) has identified that if enacted this bill would result in the following loss of personal income tax revenue:

Fiscal Year	Amount
FY 21-22	\$2.9 Million
FY 22-23	\$17.9 Million
FY 23-24	\$14.2 Million
FY 24-25	\$10.1 Million
FY 25-26	\$6.7 Million

DOR also has concerns about the fact that , the way the bill is written, Pennsylvania will follow all future federal changes to Section 179 automatically, which may result in unpredictable future revenue effects. This bill should be considered in the context of the budget.