



Senate Committee on Community, Economic and Recreational Development

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Senate Bill 676, Printer's No. 829

Date: June 3, 2015

Sponsor: Senator Ward

Bill Summary

Senate Bill 676, Printer's No. 829, amends the Tax Reform Code of 1971, by providing for the PTP Statewide Tourism Marketing and Promotion (PTP ST MAP) Tax Credit by adding {new} Article XIX-D (PTP Statewide Tourism Marketing and Promotion Tax Credit). More specifically the PTP ST MAP Tax Credit would provide the PA Tourism Partnership (PTP), a public-private partnership, with a source of funding by which to undertake statewide marketing and promotion of tourism and travel in Pennsylvania consistent with the goals, established by the PTP steering committee. The following reflects some of the more pertinent provisions related to the PTP ST MAP Tax Credit:

- Eligibility – A taxpayer is eligible for a tax credit for contributions made to and accepted by the PTP and approved by the Department of Community, Economic and Recreational Development (DCED)
- Tax credit capped at **\$10M** annually
 - Up to **2%** maybe used by PTP for administrative expenses
- Maximum of **20%** to any one taxpayer in a given fiscal year
- Tax credits available on a 1st-come, 1st-served basis
- Three (3) year carry forward period for unused tax credits
 - A pass-through entity that has an unused tax credit may elect in writing to transfer all or a portion to its shareholders, members or partners.
- Tiered Tax Credit:
 - **70%**
 - **85%** (3 year plus commitment)
- Taxpayer tax liabilities against which the tax credit may be applied:
 - **PIT** (Art. III), **CNIT** (Art. IV), **CSFT** (Art. VI), **Bank and Trust Company Shares Tax** (Art. VII) or **Insurance Premiums Tax** (Art. IX)
- Taxpayer contributions (i.e., cash, personal property, in-kind contributions, tourism and travel marketing and promotion services, etc.)
- PTP is subject to an annual audit

This act shall take effect in 60 days.

Other Information

PTP Mission:

The mission of PTP is to create a consistent, world-class and inspirational brand, as well as to facilitate the direction, funding and execution of a research and data-based marketing communications plan for the Pennsylvania tourism industry. Team PA Foundation is currently incubating PTP until it can be independently established as a nonprofit 501(c) organization. The Department of Community and Economic Development provided initial startup funds with additional funds for branding and a marketing communications plan coming from both the public and private sector.

Existing Law

March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.