Week of February 26, 2018

**HEADLINES**

**Law Crafted by Mackenzie Saves Veteran Business Owners $178,000**

A recent law authored by Rep. Ryan Mackenzie (R-Lehigh/Berks) is proving to greatly benefit veteran and reservist business owners. Under the law, known as Startups for Soldiers, it was reported by the Bureau of Corporations and Charitable Organizations earlier today that 1,613 veterans and reservists saved $178,000 in business and professional licensing fee exemptions in 2017. This program waives state business startup fees for individuals transitioning to the civilian workforce from the United States Armed Forces, including reserve units and the National Guard. It was based on a similar program that’s been successful in Missouri.
The new law eliminates the filing fees to register a new business when the registration documents are signed by a veteran or reservist and submitted with proof of the veteran’s or reservist’s status.
In addition, certain license fees are also waived. According to state officials, a total of 121 license applicants had a combined savings of more than $16,000 from the fee exemptions in 2017.

**Potential property tax relief legislation**

Rep. Karen Boback circulated co-sponsorship memorandum for legislation that would establish an optional property tax relief program for retired local and state police officers in exchange for their service to their local school district. Specifically, the bill would allow public school districts to implement an optional program that would allow a retired police officer, either local or state, to volunteer at their local school district in which they reside. In exchange, the officer would receive a real property tax exemption for their service. In order to be eligible for the exemption, an accepted individual would need to volunteer 40 hours per week during the academic school year and maintain their training credentials. This exemption would be solely for any property tax assessed by the school district. The program would not exempt any property tax asses by a home county of municipality.

**Co-sponsor memorandum circulated by Sen. Pat Browne**

Sen. Pat Browne recently circulated co-sponsorship memorandum for legislation to conform the Personal Income Tax (PIT) to the new Federal Opportunity Zones Program, which was enacted as part of the federal tax reform package. Under the Federal Opportunity Zones Program, the Governor of each state is authorized to designate a certain number of Opportunity Zones into which private investment can flow through Opportunity Funds. The program uses low-income community census tracts as the basis for determining areas of eligibility throughout the state. Investors in the Opportunity Funds are eligible to receive federal tax deferrals/eliminations and other tax benefits on unrealized capital gains associated with these investments. In turn, Opportunity Funds are authorized to invest in Opportunity Zone Property such as stock in a domestic corporation, capital or profits interest in a domestic partnership, and tangible property used in a trade or business of the Opportunity Fund that substantially improves the property located in designated Opportunity Zones. Sen. Browne notes in his memo that “By conforming Pennsylvania’s personal income tax to the federal rules that allow for the tax deferral/elimination of only those capital gains associated with the Opportunity Zones Program, we can utilize our Tax Code to direct private investment where it is needed most while being fiscally responsible at the same time.” Formal legislation on the issue has not been introduced to date.

**Treasurer Torsella Unveils Universal Children's Savings Accounts for Higher Ed**

Pennsylvania Treasurer Joe Torsella was joined by Senators John Gordner and Vincent Hughes, James Preston, CEO of the Pennsylvania Higher Education Assistance Agency, PHEAA Board Chair Rep. Michael Peifer and Vice-Chair Sen. Wayne Fontana, Rep. Duane Milne and others to announce a new program that would provide a $100 starter deposit to every child born or adopted in Pennsylvania to be used towards higher education expenses. A privately funded demonstration project will be available immediately in 6 Pennsylvania counties and the proposed legislation would extend it statewide.

**Milne to Introduce Legislation to Expand ‘Keystone Scholars’**

Rep. Duane Milne (R-Chester) announced that he would introduce legislation to expand a newly-created pilot program created to encourage tax-advantaged savings for post-secondary education.  Milne’s legislation proposes to make the program state-wide in the future. Milne joined state Treasurer Joe Torsella at a press conference in the Capitol to unveil the pilot program to open a 529 College Investment higher education savings account for every child born in one of six Pennsylvania counties and deposit $100 in it. The program is designed to encourage savings literally from the birth of a child that will grow over time and eventually support that child’s post-secondary education path.  The program has been started with philanthropic dollars and does not rely on general budget tax dollars. The PA 529 Investment Plan helps families save for college in a way that meets their needs and budget.  The name "529" refers to Section 529 of the IRS tax code, which gives these plans certain tax breaks to encourage savings. This pilot program, called Keystone Scholars, would create a savings accounts for every baby born or adopted in 2018 and 2019 in Delaware, Elk, Indiana, Luzerne, Mifflin and Westmoreland counties.  The funding has been raised through philanthropic organizations.

**House Republicans question constitutionality of Farm Show Complex financial transaction**

Republicans of the House Appropriations Committee interrogated representatives of the Department of General Services (DGS) Wednesday about a $200 million contract that the General Assembly did not approve. DGS, under the jurisdiction of Gov. Tom Wolf, is leasing out the Farm Show Complex and Expo Center. It was originally a lease-leaseback agreement with a private operator that morphed into a finance agreement. The transaction amounts to a front of $200 million that would require the Commonwealth to pay back about $377 million when taking into account interest and fees. Committee Majority Chairman Stan Saylor (R-York) said that he believes that agreement went against legislative practice and therefore is unconstitutional. The $200 million will be directed toward the state's General Fund. According to DGS, the money would cover the department’s operational costs and some would go to agriculture. DGS Sec. Curtis Topper, who signed the agreement, said its the first of its kind the department agreed to. According to Topper, Attorney General Josh Shapiro approved the contract. Rep. Daryl Metcalfe (R-Butler), however, argued that the language Shapiro uses in his approval does not agree to all aspects of the contract. Also, it is mentioned within the formal approval that the General Assembly should be included in the decision-making process.

**PENNSYLVANIA GENERAL ASSEMBLY SESSION SCHEDULE:**

**2018 SENATE SESSION SCHEDULE**

March             19, 20, 21, 26, 27, 28

April               16, 17, 18, 23, 24, 25, 30

May                1, 2, 21, 22, 23

June               4, 5, 6, 11, 12, 13, 18, 19, 20, 25, 26, 27, 28, 29

**2018 HOUSE SESSION SCHEDULE**

March             12, 13, 14

April               9, 10, 11, 16, 17, 18, 30

May                1, 2, 22, 23

June                4, 5, 6, 11, 12, 13, 18, 19, 20, 21, 25, 26, 27, 28, 29, 30

**UPCOMING COMMITTEE MEETINGS AND HEARINGS**

[House Budget Hearing Schedule](http://www.pabudget.com/18_19_Hearings.aspx)

[Senate Budget Hearing Schedule](https://drive.google.com/open?id=1lLnki2S9WO2h4mWX5sjVOKkWORiiEoLo)

**[Senate Appropriations](http://www.ctbpls.com/htbin/web_com.com?Comnam=060&Session=17R" \t "MainBody) (BUDGET HEARING)**
**MONDAY - 3/5/18**
**1:00 p.m., Hearing Room 1, North Office Building**

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|   | Budget Hearing - Department of Revenue/Lottery |

[**Senate Appropriations**](http://www.ctbpls.com/htbin/web_com.com?Comnam=060&Session=17R)**(BUDGET HEARING)**
**MONDAY - 3/5/18**
**3:00 p.m., Hearing Room 1, North Office Building**

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|   | Budget Hearing - Department of Community & Economic Development |

[**House Commerce**](http://www.ctbpls.com/htbin/web_com.com?Comnam=015&Session=17R)
**TUESDAY - 3/6/18**
**9:30 a.m., Room 205, Ryan**

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|   | Informational meeting with DCED to discuss their programs and budgetrequests |

**Department of Revenue Updates**

**Need Help Filing Your State Tax Return? Staff at Department of Revenue District Offices is Available to Assist**

The Pennsylvania Department of Revenue is reminding Pennsylvanians that Revenue staff is available at the department’s district offices to help taxpayers who need assistance with filing their personal income tax returns. The deadline to submit 2017 tax returns is April 17, 2018. Staff at Revenue district offices also can help answer general tax-related questions and assist older and disabled Pennsylvanians with filing their application forms for [the Property Tax/Rent Rebate Program](http://email.prnewswire.com/wf/click?upn=4hbKUWNtZvEUUpW81bJsgikyN0JB07Jo6ndtM4DmZmIWLd9TgPFfI0FEUePSjleMtdX8Ucm-2FO8abZIFDeLC0AvqNgSBEYbcduebRLgv6A79cJBy-2BXEFiSuCjaXXsH0ti9-2FCKfZcQUNksw7HI7V4yQTH-2B3biqWUwOQ5pnb-2B75Q6vb3RW-2FtHbp3IlTp4N7iJVzjHYbGnpZEPZQGeAbhN0OJHJNE2jY-2FBqPM3gWqzRZmVLcuFw0sHw-2FXqlv7cAuW3HgbmnMPTAcFCj-2BgPFPMc3IUA-3D-3D_kQ5-2BQ62yfqP-2BV9sshaTUjqLEUY3i9xQ9FfGfbq8mYfuUd2tbaQrr5cy-2Bd-2BKjDUzMhLjvRnIxznxMaeIlDJi6SvYd5a4Q5maPIpU0D8eclfvk-2FijlH2VyaqKvkUuG2FPFwbtJIce28-2FeCiX3MppruImpabl7jOIZWd5-2BP2t-2BBZW7bXuScFQKFSgXpiDmwhamU3syb7geyhXSjgu0BE0acT05ePh2-2FnxKTWf3yHexMSnFmLRudNPk81EXQYhLrLmuYoR7huyhTKUT-2FmRh4FD14zaIgd3VFxzK-2B6htCKCTG0VmZLGFDqeyA4Kp6bpYNNA0H).  District offices are located in Allentown, Erie, Greensburg, Harrisburg, Norristown, Philadelphia, Pittsburgh, Reading, Scranton and Sunbury. The offices are open from 9 a.m. to 5 p.m., Monday through Friday. A complete list of Revenue district offices is available [here](http://email.prnewswire.com/wf/click?upn=4hbKUWNtZvEUUpW81bJsgikyN0JB07Jo6ndtM4DmZmIWLd9TgPFfI0FEUePSjleMtdX8Ucm-2FO8abZIFDeLC0AvqNgSBEYbcduebRLgv6A79cJBy-2BXEFiSuCjaXXsH0ti9-2FCKfZcQUNksw7HI7V4yQTH-2B3biqWUwOQ5pnb-2B75Q6vb3RW-2FtHbp3IlTp4N7iJVzjHYbGnpZEPZQGeAbhN0OJHJNE2jY-2FBqPM3gWqzRZmVIoZugWHbsnxCpBnR6O9Aua6tJzBP5-2BM9bFzOpGIFPD9Q-3D-3D_kQ5-2BQ62yfqP-2BV9sshaTUjqLEUY3i9xQ9FfGfbq8mYfuUd2tbaQrr5cy-2Bd-2BKjDUzMhLjvRnIxznxMaeIlDJi6SvYd5a4Q5maPIpU0D8eclfvk-2FijlH2VyaqKvkUuG2FPFwbtJIce28-2FeCiX3MppruIgYLCekUKBmScbTxX1MwiEJM0sIlwz4ohDJU9sKdoFlOOH1UBai60VVZ73B0PJOm2SH5-2F-2B7sUimvq-2FGRx0oLY6nHICNB5dDKasaPtbP8H8Gpccu8QuUw19XY6ZAVdeabD-2BSmOyRchxWWWGl1hw6UzqDW5tCXiDvAHui0LaNePyb6). Pennsylvanians seeking tax filing assistance at district offices are encouraged to bring photo identification and their social security cards. Personal income tax assistance is also available through the department’s [Online Customer Service Center](http://email.prnewswire.com/wf/click?upn=4hbKUWNtZvEUUpW81bJsgikyN0JB07Jo6ndtM4DmZmIWLd9TgPFfI0FEUePSjleMtdX8Ucm-2FO8abZIFDeLC0AvqNgSBEYbcduebRLgv6A79cJBy-2BXEFiSuCjaXXsH0ti9-2FCKfZcQUNksw7HI7V4yQTH-2B3biqWUwOQ5pnb-2B75Q6vb3RW-2FtHbp3IlTp4N7iJVzjHYbGnpZEPZQGeAbhN0OJHJNE2jY-2FBqPM3gWqzRZmVK-2BgosNcBSy-2FS6iR-2BHD8nXeKPMWXZNN5OvrA-2BbDBktOhA-3D-3D_kQ5-2BQ62yfqP-2BV9sshaTUjqLEUY3i9xQ9FfGfbq8mYfuUd2tbaQrr5cy-2Bd-2BKjDUzMhLjvRnIxznxMaeIlDJi6SvYd5a4Q5maPIpU0D8eclfvk-2FijlH2VyaqKvkUuG2FPFwbtJIce28-2FeCiX3MppruIjG1tKdjy2gqQLbsGyEqPHQ-2BYNfXCkFYjrJldDsYL4m5BEnzvrwnE725xENSRl8TwaKd6ihVou-2Fb3o7AiEQUkSn8j4Ob9hn31wmlcRBx6u0gfb3HRxFvfdiqTn1zWIxW6M9vxQR1iz5XGO0tUA6zkpJxLROmnTS6ULAphd8E0Kx8) and by calling 717-787-8201 between 7:30 a.m. and 5 p.m., Monday through Friday. Free tax forms and instructions are available at [www.revenue.pa.gov](http://email.prnewswire.com/wf/click?upn=4hbKUWNtZvEUUpW81bJsgikyN0JB07Jo6ndtM4DmZmIWLd9TgPFfI0FEUePSjleMtdX8Ucm-2FO8abZIFDeLC0AvqNgSBEYbcduebRLgv6A79cJBy-2BXEFiSuCjaXXsH0ti9-2FCKfZcQUNksw7HI7V4yQTH-2B3biqWUwOQ5pnb-2B75Q6vb3RW-2FtHbp3IlTp4N7iJVzjHYbGnpZEPZQGeAbhN0OJHJNE2jY-2FBqPM3gWqzRZmVJd0t-2B-2FonNFGorC2oD-2BWaBXGesK1HVWtvTeTE1twL9lAw-3D-3D_kQ5-2BQ62yfqP-2BV9sshaTUjqLEUY3i9xQ9FfGfbq8mYfuUd2tbaQrr5cy-2Bd-2BKjDUzMhLjvRnIxznxMaeIlDJi6SvYd5a4Q5maPIpU0D8eclfvk-2FijlH2VyaqKvkUuG2FPFwbtJIce28-2FeCiX3MppruInArWENGY1zqiCvTUUOlJSCQJgBB8Fzmdo4uWQUeD8dWA8VlVkl0mW9r-2BWR7TWORfKLvNBYfN-2Bz5NokNHtp1vwFPCRyECvXIg2gnW4AmZs2377a93imjFDJRuVgD-2FQHFHGXAcXw8lUhgodQthxicGVAZYFnzZPK9KgXPS4P8rKZ5).

Pennsylvanians also have the option to electronically file their personal income tax returns. Tax returns that are filed electronically are processed faster, leading to taxpayers receiving their refunds sooner. Pennsylvanians can get a jump-start on filing their state tax returns by using the following paper-less e-filing options: Padirectfile, E-filing for free, or E-filing for a fee. Taxpayers can check the status of their refunds online by visiting the department’s website and selecting the [Where’s My Personal Income Tax Refund?](https://www.doreservices.state.pa.us/Individual/RefundDefault.htm) link on the department’s homepage; or by calling 1-888-PATAXES to find out the status of your refund. Taxpayers will be prompted to provide their social security number and requested refund amount to obtain the current status.

**IRRc Updates**

None