

No. 82

AN ACT

SB 1344

Amending the act of May 5, 1933 (P.L.284, No.104) entitled, as amended, "An act imposing a State tax, payable by those herein defined as manufacturers and by others, on malt or brewed beverages used, sold, transported, or delivered within the Commonwealth; prescribing the method and manner of evidencing the payment and collection of such tax; conferring powers and imposing duties on the Department of Revenue, and those using or engaged in the sale, at retail or wholesale, or in the transportation of malt or brewed beverages taxable hereunder; and providing penalties," providing for emergency malt or brewed beverage tax credits.

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

Section 1. The act of May 5, 1933 (P.L.284, No.104) known as "Malt Beverage Tax Law," is amended by adding a section to read:

Section 10.1. (a) The General Assembly of the Commonwealth of Pennsylvania, conscious of the financial emergency facing the brewing industry in Pennsylvania and the attendant risk of business failure and loss of employment opportunity, declares it public policy that renewal and improvement of the capital facilities of the brewing industry be encouraged and assisted by a limited tax subsidy to be granted during the period of the said emergency.

(b) As used in this act:

"Amounts paid" means (i) amounts actually paid, or (ii) at the taxpayer's election, amounts promised to be paid under firm purchase contracts actually executed during any calendar year falling within the emergency period: Provided, however, That there shall be no duplication of "amounts paid" under this definition.

"Emergency period" is the period from January 1, 1974 to December 31, 1976, inclusive.

"Qualifying capital expenditures" means amounts paid by a taxpayer during the emergency period for the purchase of items of plant, machinery or equipment intended for use by the taxpayer within the Commonwealth in the manufacture and sale of malt or brewed beverages: Provided, however, That the total amount of qualifying capital expenditures made by the taxpayer within a single calendar year included within the emergency period shall not exceed one hundred thousand dollars (\$100,000.00).

"Secretary" means the Secretary of Revenue of the Commonwealth of Pennsylvania where not otherwise qualified.

"Taxpayer" means a manufacturer of malt or brewed beverages claiming a tax credit or credits under this act.

(c) A tax credit or credits shall be allowed to a taxpayer, as hereinafter provided, not to exceed in total amount the amount of qualifying capital expenditures made by the taxpayer and certified by the secretary.

(d) A taxpayer desiring to claim a tax credit or credits under this act shall from time to time, in accordance with regulations promulgated by the secretary, report to the secretary the nature, amounts and dates of qualifying capital expenditures made by him and such other information as the secretary shall require. If satisfied as to the correctness of such a report, the secretary shall issue to the taxpayer a certificate establishing the amount of qualifying capital expenditures made by the taxpayer and included within said report.

(e) Upon receipt from a taxpayer of a certificate from the secretary issued under subsection (c) of this section, the Secretary of Revenue shall grant a tax credit or credits in the amount certified against any tax then due or thereafter becoming due from the taxpayer under this act. No credit shall be allowed against any tax due for any taxable period ending after December 31, 1977.

Section 2. In the event that the secretary finds at any time that an expenditure has ceased to be a qualifying capital expenditure, the secretary shall thereupon reverse any credit allowance theretofore made in respect of said expenditure and the taxpayer shall become liable for payment of the tax against which the credit was allowed, together with interest as provided by law. No statute of limitations shall be applicable to prevent collection of such tax.

Section 3. This act shall take effect immediately.

APPROVED—The 9th day of May, A. D. 1974.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 82.



Secretary of the Commonwealth.