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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 518 Session of  
2023

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INTRODUCED BY NEILSON, HOHENSTEIN, SCHLOSSBERG, GIRAL, CIRESI,  
SANCHEZ, HILL-EVANS, BURGOS, STEELE, FREEMAN, KRAJEWSKI,  
OTTEN, KIM AND CERRATO, MARCH 17, 2023

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REFERRED TO COMMITTEE ON FINANCE, MARCH 17, 2023

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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," in sales and use tax, further providing for  
11 exclusions from tax.

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

14 Section 1. Section 204 of the act of March 4, 1971 (P.L.6,  
15 No.2), known as the Tax Reform Code of 1971, is amended by  
16 adding a clause to read:

17 Section 204. Exclusions from Tax.--The tax imposed by  
18 section 202 shall not be imposed upon any of the following:

19 \* \* \*

20 (76) The sale at retail or use of services related to the  
21 installation, maintenance or repair of solar energy devices. The  
22 Department of Environmental Protection shall establish standards

1 with respect to the technical sufficiency of solar energy  
2 systems for the purposes of this clause. For the purposes of  
3 this clause, the term "solar energy devices" shall mean a system  
4 or series of mechanisms designed primarily to provide heating or  
5 cooling or to produce electrical or mechanical power by  
6 collecting and transferring solar-generated energy. The term  
7 includes a mechanical or chemical device that has the ability to  
8 store solar-generated energy for use in heating or cooling or in  
9 the production of power. This clause shall expire June 30, 2029.  
10 Section 2. This act shall take effect in 60 days.